Does B. N. A. Act Impede Reform?

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FINANCIAL PAPER

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The Nation's Business

Does Canada Need a Loan Council?
Problem of Public Debt Nears Crisis Point
Bennett-Pattullo Scrap May Force Policy
"Gerry" McGeer Is Lion for a Day
Old Inflation Racket

Who is to Control Public Borrowings?

THE Pattullo-Bennett flare-up had to come and may serve a useful purpose. It was inevitable that some time a crisis should develop in the financial relations of the Dominion Government and those provinces which find their credit so shaken that they cannot borrow in the open market the money needed to carry them through the depression. The present dispute may be resolved in compromise. But even a compromise will merely postpone the final determination of a definite national policy on the matter of the fusion of Dominion and provincial credit. And it cannot be postponed much longer.

There has been more than $50,000,000 advanced from the Dominion treasury to the various provinces. It so happens that all of the money has gone to the four most westerly provinces, which the people of the west do not regard as evidence that they have been more profligate in their finances than the other five provinces but chiefly as evidence that they are less firmly entrenched in accumulated wealth and have been more directly hit by the depression. They certainly have not been more spendthrift than Ontario, for instance, but Ontario has more capital to tax in order to avoid default on its bonds.

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AT FIRST advances were made to the provinces to enable them to meet their share of direct relief expenditures and their share of public works for relief purposes. Recently, however, advances have been made for other purposes, such as to meet deficits in current provincial accounts. And in his requests for Dominion assistance, Mr. Pattullo has asked for money to aid in the financing of the province's new economic rehabilitation programme.

The provinces that have borrowed from the Dominion have been rather resentful of any attempt by the Dominion Government to say how their finances shall be managed. Yet if the Dominion is to consider itself simply in the role of banker it must insist upon sound financial administration by those who borrow from its treasury, whether the borrower be a private company or a governing body. When it became apparent that loans to the western provinces were likely to mount to a very considerable total, there was a half-hearted effort by the Dominion to exercise some supervision of the financial management of the province's affairs but it is not apparent that the attempt was pushed or was successful even in the auditing of relief expenditures themselves.

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THE trouble is that the true relationship of the Dominion to the provinces in this matter has never been clearly established. The first loans were made without any adequate understanding of what was implied in them. Mr. Bennett and the premiers started out without a map and as they have progressed deeper into the morass they have never troubled to draw one.

At the start the Dominion had two obvious alternatives.

1. It could wash its hands of the provinces' problems and let them default if they could not borrow.
2. It could have assumed merely the role of banker, advancing the money to the provinces. But as banker it should have taken the necessary steps to make sure it was going to get its money back and this meant imposing terms and conditions in the loans.

Ottawa did not accept either of these alternatives. It refused to let the provinces default, taking the stand that any such default would reflect on the Dominion credit. And while it advanced money, it did not follow through with the banker's prerogative of financial supervision.

• • •

WHAT position has that put the matter in? What has actually happened is that by tacit agreement the credit of the Dominion and the provinces has been merged together into one presently indissoluble whole. If there were any early indication that the provinces are going to be able to repay their advances and that the advances were going to stop at somewhere around the present figure, the matter could be left there. But such indications are lacking. The loans are mounting and their early repayment is unlikely.

It is then up to the Dominion and all the provinces—for the credit of the other provinces is involved in

(Continued on page 2, col. 3)

LIQUOR FIGHT BATTLE LINES BEING DRAWN

Unrestricted U. S. Imports No Help in Fighting Bootleggers

DUTY MUST DROP

Such is Official Advice—Expected Reduction Would Lower Canadian Whisky Retail Prices 21 p.c.

Although 1,603 United States permit holders were given authority on May 1 to begin for four months unlimited importations of alcoholic beverages in the hope that this would enable the legal makers, distributors and dispensers to make way against the bootlegger, despatches from Washington quote officials of the Federal Alcohol Control Administration as not being very hopeful that these measures will prove successful. They believe that this action must be supplemented by a drop in the customs duty from $5 a gallon to a figure which will give importers a chance to compete with smugglers and bootleggers and which will discourage the faker of labels and bottles.

The Financial Post believes, and stated in an article some weeks ago, its understanding that Administration officials understand this and have gone so far as to suggest a tentative drop in the duty from $5 to $3 a gallon. The distillers said a drop of $2.50 a gallon was needed. President Roosevelt will make the final decision and so far his ideas have not been expressed.

How Bad Is Bootlegging?

How bad has bootlegging become? The end of prohibition was hailed as the end of the bootlegger, the smuggler and the counterfeiter of brands, bottles and labels. But these enterprising gentry of the underworld are not so easily scotched. Most of them had political pull of a sort, have been able to get permits and licenses in many cases, and are still able to conduct a spurious business under the cover of some legal purchases. Hence there has been discouragement among Canadian shareholders and the market has sagged somewhat as the first roseate hopes move into line with reality.

Bootleggers Have Strong Memories

However, The Financial Post is informed that distillers are by no means as discouraged as are the shareholders. It is to the interest of Federal and State governments desiring revenue, of the distillers and distributors and retailers doing an honest business and of the honest importers to co-operate in killing the illegal racket. Even though illegal selling still flourishes after five months of "wet" laws it must be remembered that the bootleggers had it all their own way before December 5, 1933.

Federal Alcohol Administrator, Joseph H. Choate, Jr., was quoted in despatches recently as saying that two-thirds of the United States liquor business is still in the hands of bootleggers. The Financial Post tentative estimate of 25 per cent was also drawn from official sources.

As certain United States Treasury officials originally guessed that the United States would drink 105,000,000 gallons of hard liquor annually and consumption of legal spirits was stated to be going ahead at about the rate of 80,000,000 gallons annually, it has been assumed that bootleggers are looking after the other 25 million gallons. Treasury officials still say that they have no reason to change their original estimate after watching what has actually been happening, but estimates differ widely among experts, all agreeing, however, that illegal vending is very large. Some say total consumption may exceed 200,000,000 gallons annually and recent reports state legal consumption is

(Continued on page 2, column 5)

Pattullo-Bennett Spat Imperils Ottawa Plan Of Lending to West

B. C. Government Prepares to "Go It Alone" on Finances

BENNETT SAYS "NO"

Refusal of Unconditional Loan of $7,500,000 May Affect Four Western Provinces

From Our Own Correspondent

OTTAWA.—The policy, hitherto regarded as vital to the national credit, of maintaining the solvency of the four western provinces is now in grave peril owing to the breakdown in the negotiations between Premier R. B. Bennett and Premier T. D. Pattullo of British Columbia. For more than 30 months, ever since Britain abandoned the gold standard, the Bennett Government has supported the western Governments, pouring out loans which now exceed $50,000,000 in the belief that the credit of the provinces and of the Dominion was inextricably fused and that default of a province would destroy confidence in the Dominion and in the non-defaulting provinces.

Only a few months ago, at the Dominion-provincial conference the representatives of all the partners in Confederation blessed this policy and avowed the purpose of standing together. Yet the Bennett and Pattullo negotiations have virtually collapsed and Mr. Pattullo, armed with all the constitutional powers possessed by a provincial legislature, is preparing to, "go it alone."

B. C.'s Financial Plight

The Pattullo Government, having budgetted this year for a deficit of over $2,100,000 and requiring more millions to cope with unemployment relief, having a total debt of $170,000,000 with carrying charges of about $11,000,000 per year—the Pattullo Government is conceded to have but one course of action in view, if it must "go it alone." This course of action will be to use debt charges for ordinary purposes and either attempt or come to terms with the bondholders or default outright.

Those who know both premiers intimately expected the negotiations to be perilous. But when the Saskatchewan Government succeeded in coming to terms with Mr. Bennett a few weeks ago, it was believed that British Columbia's needs, however, unreasonable they might appear, would be met.

Manitoba and Alberta are still to open their negotiations. But their requirements will not approach those of Saskatchewan and, therefore, if the British Columbia situation could have been cleared away, there was an almost certain prospect of the national credit policy being continued in force this year.

The Dominion-provincial conferences were called by Mr. Bennett toward the close of March for the purpose of determining the amount of Federal loans the western Governments would require in the current year.

What B. C. Requested

British Columbia asked for $7,500,000 as a minimum. The purposes were: to meet the current deficit, $2,120,330; $3,500,000 for direct relief; and the balance for relief works. It is also understood that Mr. Pattullo meant to press hard for additional moneys to enable the Government to assist private companies.

But the negotiations appear not to have got very far. Mr. Bennett stopped Mr. Pattullo at the first item and declared that the Dominion Government could not proceed further until the proposed deficit had been cut to about $1,000,000. Mr. Bennett, in fact, wrote a letter to Mr. Pattullo which sets out the Dominion policy succinctly and which, in some respects, is a restatement of Ottawa's ultimatum to Manitoba a year ago.

Text of Letter

This letter reads:

May 3, 1934.

"Dear Mr. Pattullo:—

"Your request for financial assistance has been given the most careful consideration by council, and in reviewing your position we have had before us the letter of the Hon. John Hart, addressed to the Minister of Finance on February 26, which we have considered in the light of the letter addressed to Mr. Hart by the Minister of Finance on March 29, as well as the telegrams which have been exchanged between us on the same subject.

"Notwithstanding our own financial problems, which are onerous and difficult, it is the desire of the Government to assist you to the best of our ability, but we cannot in justice to the taxpayers of the Dominion accept the statement of your requirements as outlined in Mr. Hart's letter of March 26 as representing a complete effort on your part to deal with your financial position.

"We must, therefore, ask you to submit a revised programme which will substantially reduce your contemplated deficit of $2,120,330 on ordinary account for the current year, which you anticipate notwithstanding your abandonment of sinking fund requirements which amount to $2,421,620 last year.

"As the preparation of this statement cannot be made until Mr. Hart

(Continued on page 2, col. 2)

Kelvinator Corp. Sales Help Canadians Also

Holders of Kelvinator of Canada 7 per cent cumulative sinking fund preferred stock, outstanding to the extent of $496,000, are interested in a very direct way in the news of surprising gains in sales by Kelvinator Corp., Detroit, the parent company, because the latter company guarantees dividends and sinking fund payments. Except for 1931, all dividend payments to date since May 15, 1926, have been made under this guarantee by the parent company and it also has retired $304,000 of the stock by sinking fund.

The Canadian company sales are increasing this year, it is understood, but the continued success of the parent company is the most encouraging factor to shareholders. Of the 100,000 shares of common stock 74 per cent is owned by the parent company. Preferred shareholders expect their stock will be eventually all paid off by Kelvinator Corp.

SEAWAY TREATY AGAIN TO COME BEFORE SENATE

Roosevelt Confident Can Gain Support Next January

From Our Own Correspondent

WASHINGTON— President Roosevelt plans to send the St. Lawrence Waterway treaty to Congress again next January, The Financial Post learns from a good source. He expects then to have it ratified.

The president has had two or three conferences with proponents of the Waterway and has urged them to keep up their educational propaganda with the public and among members of the Senate.

Several of the Senators who opposed the treaty face elections in the fall. Once the elections are out of the way some of them will feel freer to vote for the Treaty, the president has informed Waterway advocates.

The administration was actually only three votes short. It was thought that these votes could be had by some trading but the opposition was found to be as well organized and as well financed as the Waterway propagandists.

Producers of Newsprint Finally Cut Inventories

Survey of Situation Shows Big Log Piles Eliminated at Last — Mills Finally Reach Position in Which Betterment is Possible

From Our Own Correspondent

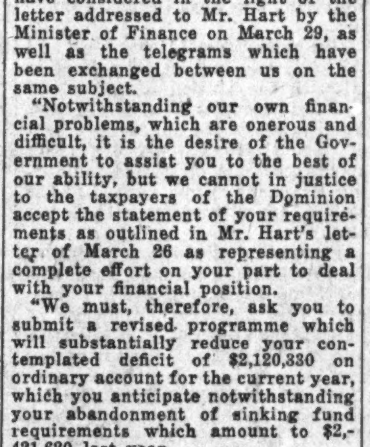
MONTREAL.—After four years of depression, the newsprint companies are at last in an inventory position from which they can benefit by improving conditions. There are even rumors that a shortage of pulpwood exists. The wish is the father of this thought. None the less, immense wood-piles which could not be turned into newsprint now seem to be a thing of the past.

Time has largely been responsible for the betterment. The mills have gradually been able to use up their surplus inventories of wood. Other factors in the situation have been the larger demand in the States during the first quarter of the year, coupled in recent weeks with a fear on the part of purchasers that a railway strike might tie up the raw material of their newspapers. The fear of a railroad strike has in part been responsible for the increased scale of operations now maintained at many of the mills, including Donnacona.

In Manitoba, only 12,000 cords of pulpwood have been cut. At Sault Ste. Marie, only 60,000 cords have been cut. Fort William has only about half the pulpwood required. Iroquois Falls has sufficient pulpwood, as have also MacLaren, Eddy and Booth.

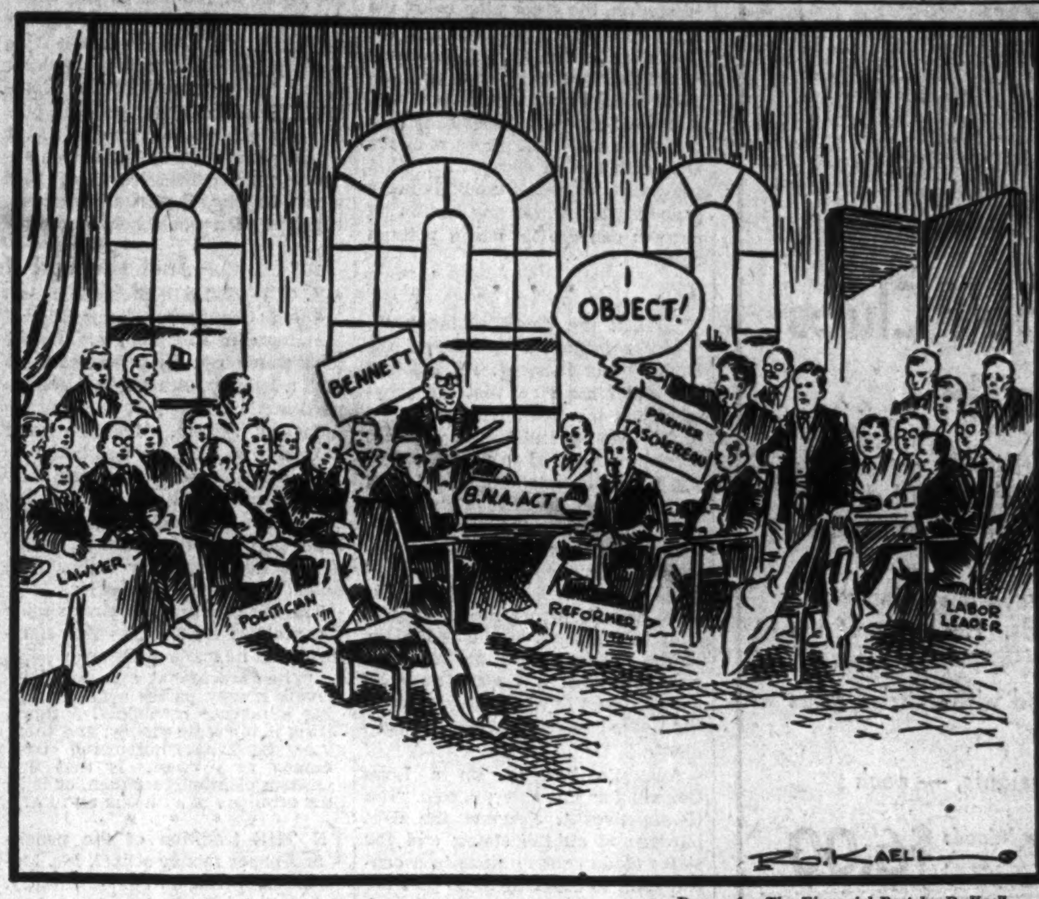
International Paper might have a small shortage, but the situation there depends on the result of the drive. Consolidated Paper and Port Alfred have sufficient pulpwood only for a 50 per cent scale of operations. Donnacona, Lake St. John and Rothermere's mills only have sufficient wood. Price Bros. has sufficient wood for production on a 75 per cent scale. It is understood that there is a big shortage of wood at Ste. Anne's. All of which indicates that the industry should be able to look to the future with the hope of increasing profits rather than with an endeavor merely to reduce losses, for none of the mills now seem overstocked with their chief raw material.

Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of May 8	55.0	51.7
Week of May 1	56.2	54.1
Month of May, 1933	44.0	31.5
10 Public Utilities		
Week of May 8	54	52
Week of May 1	54	53
Month of May, 1933	50	43
8 Bank Stocks		
Week of May 8	187	183
Week of May 1	185	183
Month of May, 1933	188	147



—Drawn for The Financial Post by R. Kaell.

THE FATHERS OF CONFEDERATION, 1934

STEVENS ASKS FOR REFUNDING WESTERN DEBTS

R. B. Bennett Reported Opposed to Agitation For Conversion

From Our Own Correspondent

OTTAWA.—An agitation to refund at lower interest rates the direct debt of the four western provinces under a Dominion guarantee is steadily gaining ground at Ottawa. The proposal is understood to have the support of most of the western ministers, including Hon. Harry Stevens of British Columbia.

In round figures, these provinces owe more than $600,000,000 upon which they are paying approximately 5 per cent interest. It is being suggested that a Federal guarantee would enable refunding to be made at a saving of at least 1 per cent and thus cut $6,000,000 out of the expenditure side of the provincial budgets, relieving the demand upon Ottawa for loans.

Apart from western ministers it is clear that the proposal has made little headway with the cabinet at large, and Premier R. B. Bennett may be regarded as not in support of it.

Markets Softer

Prices in Montreal and Toronto for bonds of the western provinces have been slightly softer, as a result of the refunding agitation and the borrowing antics of B. C.'s premier Hon. T. D. Pattullo. This is considered the most accurate indication of investment sentiment, since the rest of the bond market has been strong.

Bond dealers consulted by The Financial Post are optimistic, at least superficially. Procrastination is favored in financial circles in the belief that with better business the West will be able to take care of its obligations without assistance. Economists are not quite as sure. Investors themselves appear to be in a fog.

The proposal for refunding at lower rates of interest suggests flotation of Dominion-guaranteed bonds in exchange for present issues. Investors might actually stand to gain by such a scheme if high prices for Dominion issues are a safe guide. Nevertheless there would be a loss of income to bondholders to offset the greater security.

It has also been suggested that a national loan council comprised of representatives of Canada's ten governments be formed to regulate borrowings. The intention would be to give some control over provincial financing in exchange for the Dominion's guarantee. One disadvantage suggested is that a loan council would become a log-rolling body, in which "you vote for me and I'll vote for you" might become the guiding principle. On the other hand, it is claimed, the unguided and indiscriminate borrowing policies that have been followed up to the present have been subject to practically no regulation.

Investors actually gained in the conversion of Newfoundland's loans into 3½ per cent sterling securities guaranteed by Great Britain. Instead of holding bonds worth 60 cents on the dollar, they found themselves with bonds worth 100 cents on the dollar. Experience was similar in Australia, New Zealand and Great Britain, although there was a loss of income.

As to western provincial bonds, numerous six per cent issues can now be obtained for less than 100, and 4½'s for less than 90. Thus, exchange into Dominion-guaranteed 3½'s and 4's would not necessarily bring a capital loss. The loss would be one of income, which might be rectified by investment in high-grade corporation issues.

The view of some observers is that the investor will probably get full payment on the provincial bonds; and even if there were a conversion into Dominion-guaranteed securities there would probably be no loss of principal.

Economists believe that conversion would benefit the West greatly, and in fact some of them advocate such measures for the whole of Canada. One reason for this is that municipalities and private debtors have been clamoring for relief by lower interest rates, and discrimination might be claimed if only the four western provinces were given the benefit of a conversion programme.

Reductions Feature Auto Price Changes

Slight price changes have taken place recently in a number of automobiles, list prices for Ford, Chevrolet, Pontiac and Buick being reduced while Graham, Chrysler and De Soto prices are revised upward.

Changes in the General Motors lines are roughly as follows: Chevrolet down $16 to $18; Pontiac down $18, and Buick down $25 to $27.

Reduction in Ford prices ranged from $2 to $4 only.

De Soto Airflow sedan and brougham prices are $10 higher while Chrysler Airflow 6 is increased by the same amount, the eight by $15 and the Imperial eight by $20.

Due to the advance in the United States, Canadian prices of Graham cars have been advanced from $65 to $80 on all lines.

CRUDE PRICE RISE MAY FORCE TIRES TO HIGHER LEVELS

London and Amsterdam Production Agreement Outlined

To the tune of much better business Canadian tire and rubber companies operate also under the shadow of the agreement being completed by British, Dutch and French producers of 98 per cent of the world's crude rubber to restrict output, to regulate supply and to establish a remunerative price. In the United States executives of some of the largest tire companies are not slow, in spite of cut-throat price wars, to predict rises in the price of tires within a month or two as a result of these developments. Canadian companies have never in the past raised tire prices until existing inventory was exhausted and new purchases actually cost the companies more than previously.

Avoid Stevenson Plan Error

One encouraging feature to consumers is that the rubber Moguls of London and Amsterdam promise that they will not let prices get out of hand and that chief consumers in the United States, the largest consuming nation, will be represented on the control committee. The history of the Stevenson plan, sponsored by the British, is still a painful memory on both sides of the Atlantic. With 67 per cent control of output the British thought they could do as they pleased and they did push prices up to $1.23 a pound. With such a wonderful umbrella the Dutch plantations increased output until excess output swamped the market and prices fell eventually as low as three cents a pound. The British then found themselves with 55 per cent instead of 67 per cent of the total output of the world.

That Stevenson plan worked from 1922 to 1928. The new five-year plan calls for gradual restriction of output so as not to hurt various rubber estates too much at once by forced curtailment of output. Shares of companies owning rubber estates have been improving in London as a result of this plan. Tire companies here have not the same reason for jubilation but in any case any increasing prices will make inventory already held more valuable.

Highlights of the week

$800,000,000 Market

The rich French-Canada market, comprised of 30 per cent of Canada's population, scrutinized in a six-page section. What is bought, who buys, and the industrial progress of the area. Pages 13 to 18

Investment Trusts

Some of the pitfalls that Canadian investment trusts have discovered. Importance to the investor of management of trusts. Page 9

Codes Obstacle

Is the B. N. A. Act out of date? Ottawa's powers on industrial codes, labor and what not, restricted by Canada's constitution. Codes for Canada article. Page 8

Are You Insurable?

If you or your partner cannot get life insurance, there are ways of solving the problem. R. M. Haultain outlines two ingenious partnership insurance plans. Page 10

Bank Owners

List of all holders of 100 or more shares in Bank of Montreal shows 80 per cent Canadian ownership. More light on the real owners of Canada's banks. Page 11

McGeer Harangue

G. G. McGeer, K.C., recently took a day of the Ottawa banking committee's time to present the case for nationalization of credit. Official report of his harangue in brief. Page 12

Public Debt Tangle

Implications of the breakdown of the Pattullo-Bennett loan negotiations to Government financing in Canada. The Nation's Business column. Page 1. The significance of the developments to the western provinces and to investors. Page 1

Gold Tax

How revision of the gold tax helps smaller mines and places the burden on big producers. An analysis for investors. Page 23

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MTL. POWER HOUSEHOLDER RATES TO DROP

Awaiting Possible Tax Action by Quebec Authorities

CUT OF NEW TYPE

Reduction Will Differ from Former Cuts — Not an Unfavorable Feature from Profit Standpoint

From Our Own Correspondent

MONTREAL. — Montreal Power will probably make a statement next week on its anticipated rate reduction. Just what form the reduction will take has not yet been disclosed, nor can any indication of the magnitude of the cut be obtained from those close to the company. As far as the market for the shares and the earning power of Montreal Power is concerned, the voluntary rate reduction will have only a favorable bearing. Over a long term of years, Montreal Power has steadily reduced its rates; but consumption has increased correspondingly and profits have not been affected adversely.

The rate cut will affect only the domestic consumer who, no matter what the price, usually pays each month about the same amount for electricity and gas. Utility experience elsewhere indicates clearly that domestic users budget a definite amount for their light bills, and in Montreal the total of individual light bills has varied little since the days when electric light cost 12 cents a kw.h. as against the present rate of 3 cents a kw.h.

Different in Future

All that can be learned of the forthcoming rate reduction is that it will be different in character from past reductions. Formerly the company pursued a practice of simply slashing the price per kw.h. But from information which The Financial Post has been able to obtain, the forthcoming reduction will be of a type decidedly new to Montreal.

Recently, an effort was made to place a 5 per cent surtax on the company's municipal tax bill, but it was turned down in the Provincial Legislature. It is possible that early in June a special session of the provincial legislature will be called to deal with the unsatisfactory state of the finances of the city of Montreal. Should at that time efforts be made to increase the company's burden of taxation, there is little doubt that the rate reduction would be further delayed.

No Decision Yet

While the company has not yet definitely decided to cut its rate, some reduction seems a certainty. Any attempt to increase further the company's tax burden would certainly eliminate any possibility of a cut at this time, particularly as Montreal Power has long stressed the point that Quebec utilities contribute heavily to the upkeep of federal, provincial and municipal authorities, while Ontario utilities are not as heavily taxed.

With most rate reductions in the past, Montreal Power has also announced an increased dividend rate. There are, at the moment, rumors of an increase of 10 cents a share a quarter, but these seem to be premature.

Week's Figures Feature Advance Of Pete. Imports

Petroleum imports provide the feature of business statistics released during the past week, the total for March being almost 49 per cent greater than in the corresponding month of 1933.

Wholesale prices took a downward turn in April, according to the Dominion Bureau of Statistics monthly compilation, chiefly on account of lower quotations for farm produce such as grains, butter, eggs and calves.

		—Change—	
		From Prev. Period	From Prev. Year
Monthly:	April '34	%	%
W'sale prices, No.	71.2	—1.1	+8.8
	March '34		
Crude pete., imp gal.	73,443,773	+65.6	+48.8
Footwear prod., prs.	1,682,010	+27.3	+9.1
Retail sales, No.	73.4	+25.2	+10.4
Weekly:*			
Carloadings, No.	43,161	—3.0	+19.7
Cattle sales .. No.	11,538	—0.3	—2.3
Hog sales ... No.	23,642	+2.8	—14.2

*Weeks ended April 28, May 3 and 3 respectively.

Champlain Oil Builds Canada's Largest Station

Champlain Oil Products, Ltd., has achieved a double objective in its new service station at the corner of Sherbrooke and St. Lawrence Streets, Montreal: it has built what J. O. Tremblay, general sales manager, regards as the largest service station in Canada; and it has relieved traffic congestion on St. Lawrence Main by opening Clark Street between Sherbrooke Street and Milton Street.

By the latter feat the company makes its station occupy a complete city block. It will handle customers from all four sides with the aid of 12 experienced employees, and a special supervisor, ten double gasoline pumps, two greasing pits, two free wheel hoists for greasing and tire work, two service floors for tire, battery and general service work and a service bureau which will issue licenses, distribute Provincial Government maps and give tourist information.

YOU'LL LIKE THESE

"Supreme" Golf Clubs by Martin

Already a very popular model with golfers, the "Supreme" wood or iron is exquisitely balanced. Also, it has this advantage, that it can be matched at any time.

Driver, Brassie and Spoon have inlaid faces and the irons have stainless heads. The necks of the Irons are shock-proof.

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In men's or women's weights, — each

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No pressing or rubbing of thumbs with the Vestalite, no flint or electric attachment. It lights automatically when you remove the cap and blow lightly on it. About the size of a lipstick, it is convenient for purse or pocket. At 1.50.

Special fluid, tin 35c.

Tobacco Shop — Street Floor.

THE ROBERT SIMPSON COMPANY LIMITED

PATTULLO-BENNETT SPAT IMPERILS OTTAWA PLAN OF LENDING TO WEST

(Continued from page 1)

returns to Victoria, and you appear to be in pressing need of immediate funds, we are prepared to advance such sums as may be necessary to meet your immediate and pressing requirements on the understanding that your revised programme is to be submitted some time within the next four or five weeks at the outside.

"It would be desirable to ask you to submit a statement which would show something approaching a balance on current account; however, realizing your difficulties and with the desire to be helpful, we will not go so far as to ask that this should be done, but we must expect the contemplated deficit to be reduced to something in the neighborhood of $1,000,000 at the outside.

"When we receive such a revised programme, we will give it favorable consideration, and you will be advised promptly as to whether we are prepared to make advances from time to time in conformity with your revised programme up to the end of the current fiscal year.

"Apart altogether from the justice of this request as affecting your province, may I point out that it has been our endeavor to deal with absolute fairness with the requests from each of the four western provinces, and it would be unfair if greater consideration should be shown to British Columbia than to any other province.

"In all these circumstances, I trust you will recognize the fairness of this proposal, and in accepting it recognize the fact that it is the best we can make."

Yours faithfully,
R. B. BENNETT.

This letter completely broke down the negotiations. Mr. Pattullo it appears is unwilling to meet Mr. Bennett's conditions. He will not abate one dollar of his requests but is also unwilling to admit that the negotiations have failed. In reply to Mr. Bennett he has sent a letter urgently pleading for reconsideration. But from the closing sentence of the Bennett letter, the request seems entirely impossible of acceptance.

The Nation's Business

(Continued from page 1)

this matter—to decide what is the logic of the present position.

Mr. Pattullo has taken the stand that British Columbia is entitled to the advances it asks from the Dominion treasury and that it is not for Ottawa to say what the policies of the British Columbia Government shall be. But Mr. Pattullo's province is only one of ten partners in Confederation, the other nine being the eight additional provinces and the Dominion Government. If the credit of the nine provinces and the Dominion is to be visualized as a unit then the financial policies of British Columbia affect the position of the Dominion and of each of the other provinces. Canada's credit is not a grab-bag into which any borrowing partner can dip its hands without restraint.

• • •

EITHER the credit of the provinces is joined to that of the Dominion or it is not. Mr. Bennett has taken the view that the provinces and the Dominion must stand or fall together and that no province must be permitted to default. Having taken that stand he must then make another decision as an inevitable corollary. He must decide where control of Dominion and provincial borrowings and expenditures is to rest. Either the Dominion must assume a measure of control over the finances of the provinces, or the provinces and the Dominion must establish a central financial control body, in which no partner to the Confederation pact will be dominant.

Australia has set up a Loan Council for just this purpose. The Commonwealth assumed the debt burdens of all the states; and the states made contributions to a central fund to cover in large part the interest on their own bonds. A council, consisting of representatives of the Commonwealth and of each of the states, was established to exercise a very rigid supervisory power over the finances of all the borrowing Governments. A conversion loan followed, which reduced the interest rate paid on all these loans, and this was accompanied by measures to reduce wages and other items in the national economy on the principle of equal sharing of the burden of deflation.

• • •

CANADA may have to come to some similar arrangement. It would recognize the principle that Dominion and provincial obligations are equal in relation to the country's credit and that none can be defaulted. It would permit this stand to be taken without making either the provinces or the Dominion the dictators of spending policy of any self-governing unit. It would pave the way for a vast refunding or conversion loan that would benefit all public borrowers, which in turn would help to reduce rates of interest paid by private borrowers.

At the present time, if the Dominion advances money without strings, it permits the provinces to be the dictators of Dominion finance. If it attaches strings it becomes the dictator of provincial policy. One arrangement is not conducive to sound finance. The other is not conducive to harmony and co-operation in the partnership.

Mr. Pattullo and Mr. Bennett may seem to be engaging in a political argument, intensified by the difference in their political leanings. Actually they are bringing to the point of determination the whole complex question of public finance. One can feel some sympathy for the stand that each has taken.

Just the Old Inflation Racket

G. G. McGEER kept the Banking and Commerce Committee of the House of Commons spellbound for a whole day. He presented them with a lengthy, although not always pertinent criticism, of the world's monetary system. But like most monetary heretics he was better in criticism of the existing system than in proposals for its reform. In essence, his proposal is to let the State control the issuance of money and to issue currency rather than bonds to finance its activities.

The McGeer argument rests upon the premise inherent in this statement that he made at Ottawa:

> "The government with power to create money passes a law creating a private monopoly, authorizing it to create money, and then goes bankrupt borrowing that money at interest. Is that the wisdom of intelligent men, or is it the economy of a lunatic asylum?"

• • •

IN THE tradition of the pencil-and-paper money school, Mr. McGeer starts with an obvious fallacy. It isn't currency that countries borrow but savings. Mr. McGeer confuses wealth with the unit of accounting and the convenient day to day means of exchange. But we can overlook that.

He apparently feels that it is better for a country to go bankrupt borrowing without paying interest than to go bankrupt borrowing and paying interest on it. Why not pass a law declaring saving anti-social and abolishing interest? That would meet his problem.

He would flood the country with currency. He does not fear that inflation would get out of control; he has the utmost faith in our ability to control inflation. Yet he is willing to remove from the credit machine all the controls that have been devised by experience to date. For these controls he would substitute the good faith and genius of politicians.

• • •

IN BRIEF the same men who have brought the country close to bankruptcy by borrowing through issues of bonds are to be trusted to borrow through issues of non-interest-bearing currency and to keep the whole process in check.

It's the old inflation racket dressed up in original style, and inflation such as Mr. McGeer suggests is the worst enemy of the workers and farmers and small creditors for whom he has devised it. But "Gerry" McGeer is nobody's fool; he knew he was not going to get the House of Commons to revise the Bank Act along the lines of his proposals; but he also knew that the Banking Committee is a good drum to beat, in order to get a popular following.

CANAD. CANNERS PROFITS INCREASE, BANK LOANS DOWN

Increased Depreciation Write-off — Sales and Hopes Higher

Combined profits from operation of Canadian Canners, Ltd., for the year ended February 28, 1934, amounted to $804,002 after providing for Government and municipal taxes as compared with $729,017 in the preceding year. Depreciation transfer from earnings was $250,000, an increase of $50,000, and net profits remaining after bond interest were all expended in dividends on first and second preferred stock except $702, which was added to surplus. Sales increased in a highly competitive market and Avern Pardoe, president, expresses the hope that with labor and material costs advancing, employment conditions improving the aspect of affairs will get better.

The liquid strength of the company was heightened during the year. Bank obligations were reduced substantially by $1,250,000 to $596,615.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
Years Ended Last Day of February

	1934 $	1933 $
Net earnings	804,002	729,017
Less: Bond. int. & exc.	211,094	225,232
Deprec.	250,000	200,000
Net profit	342,908	303,785
Less appropriations:		
1st pref. div.	233,088	273,426
2nd pref. div.	109,118	170,952
Com. div.	......	6,889
Surplus for year	702	*147,482
Add: Prev. profit and loss surp.	393,531	541,013
Previous inv. & conting. res.	670,037	670,037
Present invest. & conting. reserve .	670,037	670,037
Profit and loss surplus forward	394,238	393,531

*Deficit.

WORKING CAPITAL

	1934 $	1933 $
Current assets	5,191,834	6,336,100
Current liabilities ...	1,113,417	2,279,631
Working capital	4,078,417	4,056,469
Ratio	4.66—1	2.78—1

Drop in current assets was the net result of the following changes: cash up from $13,216 to $17,546; investments up from $35,005 to $35,308; accounts and bills receivable down from $444,718 to $339,396; inventories down from $5,784,075 to $4,787,136; and unexpired insurance down from $59,097 to $12,419.

Drop in current liabilities was mainly due to reduction of bank loan as outlined but accounts payable increased from $423,508 to $516,803 due to purchases anticipating higher costs of materials and supplies.

Advances for account of employees stock participation increased from $156,183 to $208,108 and a new item of $53,417 is shown as cash available for sinking fund.

Bonded indebtedness of $3,262,00 is entirely covered by net current assets with $814,517 to spare. The latter amount along with non-current assets, after all reserves, of $10,304,127, cover first preferred stock of $3,884,850 and show more than $14 a share equity available for each share of 2nd convertible preference (363,732 shares) and 137,784 no par value common shares, if all the second preferred were converted share for share but would only provide $20 a share for the second preference if the shares stayed permanently as they are.

Rich Quesnel Strike Held Legendary Vein

From Our Own Correspondent

VICTORIA. — Spectacular gold values are reported from the face of the main drift at the Quesnel Quartz Mining Co., operating an old gold property between Prince George and Quesnel, B.C., where operations were carried on as far back as 1881. The rich strike was made in a network of six stringers, and is believed by officials to be the legendary Bonanza seam of by-gone days.

The company is headed by Vancouver interests, which formed the present company in 1932 with a capitalization of $600,000, shares of which were offered through Vancouver brokers to provide funds for further development.

GODERICH ELEVATOR PROFIT INCREASED

Working Capital Deficiency Lower — Big Increase in Demand for Feed

The Goderich Elevator & Transit Co. profit for the year ended March 31, 1934 was $43,625 as compared with $24,698 in the preceding year. Surplus after dividends increased by $974 to $105,951. Working capital deficiency was reduced by nearly $63,000.

Receipts of grain throughout the year were 59 per cent greater than in 1933 and the net revenue showed the same gain. The company handled 6,919,283 bushels in 1933 and 4,346,086 in 1932.

INCOME AND SURPLUS ACCOUNT
Years Ended March 31

	1934 $	1933 $
Income:		
Elevator charges ...	22,008	15,031
Elev. & stor. chgs. .	155,746	126,344
Other income	9,382	......
Total income	187,136	141,375
Less: Oper. expense†.	50,694	50,571
Net earnings	136,442	90,804
Less: Depreciation ..	61,323	36,260
Bank interest	6,345	6,698
Municipal taxes ...	......	9,696
Corporation tax ...	2,067	224
Federal inc. tax ...	6,851	9,580
Salaries & dir. fees	15,588	3,000
Transfer fees	643	653
Net profit	43,625	24,698
Less appropriations:		
Dividends	42,003	50,404
Life ins. prem.	648	......
Surplus for year	974	*25,711
Add: Previous surplus	104,977	119,136
Life in. c. s. val. adj.	......	552
Trans. frm. conting.	......	11,000
Bal. carried forward	105,951	104,977

*Deficit.
†Includes repairs, maintenance, etc.

Working capital	*34,208	*97,061
Ratio	0.67—1	0.20—1

*Excess of current liabilities over current assets.

LIQUOR FIGHT BATTLE LINES BEING DRAWN

(Continued from page 1)

only at the rate of 50,000,000 gallons yearly.

Take Bottles From Bootleggers

The rate of progress in eliminating bootleg competition may be still further increased if National Distillers Products Corporation succeeds in its attempt to get Congress to pass regulations for the manufacture or re-possession of trademarked bottles. This is aimed at the bootleggers who, through long practice are able to counterfeit bottles, corks, labels and revenue stamps as easily as they simulate the contents. A bill has been introduced making it a felony, punishable by imprisonment to re-purchase, possess, sell or refill a trademarked, design-patented, or lettered private mold liquor bottle.

Canada's Exports Largest

February's imports of spirits into the United States showed United Kingdom and Canada together accounting for 90 per cent of the 410,730 wine gallons received from abroad in that month. Canadian export figures showed 419,781 Imperial gallons exported, so that it is altogether probable that Canadian rye and bourbon and bulk spirits greatly exceeded those of exports of the United Kingdom. Miquelon and St. Pierre Island ranked as the third largest supplier, accounting for nearly 20,000 gallons legally. The Irish Free State was next with 5,000 gallons. Brandy imports were 72,646 gallons in February, with France supplying 90 per cent and Miquelon and St. Pierre, Greece and Palestine supplying the next largest quantities.

Gin came from 11 countries and the total was only 15,000 gallons in all with the United Kingdom and Holland accounting for 95 per cent. France accounted for 45 per cent of the 81,445 gallons of "other spirits, cordials, etc.," received during February. Cuba ranked as the second largest supplies with 20 per cent.

France supplied 80 per cent of the 45,683 gallons of champagne and sparkling wines imported in February. The only other countries of importance reported were Miquelon and St. Pierre, the United Kingdom and Italy.

Of the 442,000 gallons of wine received, 80 per cent came from France, Italy, Germany and Spain.

How Costs Mount

Naturally the question of price at which liquors are sold, as compared with prices of bootleggers, is an all-important feature of the fight to get the volume of sales now in the hands of bootleggers. The following computation will indicate what a change of duty from $5 to $3 a gallon would mean in the selling of liquor sent in case lots from Canada. The half of Canadian exports going in bulk does not make so much difference because the aged liquor from Canada can be used for rectifying in proportions of ten gallons to one or even 25 gallons to one, which lessens the duty to a point where it is not very important, but case goods are important because many consumers do not want blends. Canadian bonded ryes are selling from $3.50 to $4.10 in various states for 26 2/3 oz. bottles (usually called fifths).

A case of fifths contains 2.4 American wine gallons, and as the federal tax is $2 per gallon, there is a tax per case of $4.80. The customs duty of $5 a gallon would mean $12 a case. That means a total taxation of $16.80 a case. The approximate price of Canadian whiskies in bond with Canadian distillers is $11.50 a case. That brings the price laid down in the United States (ignoring the freight, which is comparatively unimportant) after taxes, to $28.30. Allowing for a retailer's spread of 40 per cent—and that is needed so that the retailer can pay all his taxes and help and rent—the retail price comes up to $39.62 a case or about $40 when other costs are added in.

But if the customs duty is reduced to $3 the duty per case becomes $7.20; the excise duties remain at $4.80, the Canadian bonded price stays at $11.50, but the retailers 40 per cent spread on the total of $23.50 laid down is $9.40 instead of $11.32 and the retail total price becomes $32.90 or $33 a case. That would enable good Canadian rye to sell at $2.75 a fifth whereas under present conditions it has to sell at least at about $3.40 a fifth. In other words, it would reduce very greatly the price advantage of the bootlegger and the advocates of this reduction tell the U. S. Government its fight against the bootlegger under such circumstances would be more effective.

Under these circumstances and with the expected measures, distillers in Canada believe the bootlegging menace will soon be adequately coped with. The situation is bound to improve all the time, said one executive to a representative of The Financial Post. The Government is taking important steps to combat it. The distillers' organizations are doing good basic work. The preventive forces are soon to be trebled. All the legitimate retailers will work for the same object.

John D. Gilmour,
B.Sc.A., B.Sc.F., (Toronto)
CONSULTING
FOREST ENGINEER
MEMBER OF EXECUTIVE, PACIFIC LOGGING CONGRESS. MEMBER CANADIAN SOCIETY AND QUEBEC ASSOCIATION. OF FOREST ENGINEERS

Seventeen years in practical active charge of eastern pulpwood logging operations, continuously for the same interests.

Experienced in all phases of organization and management of logging operations, logging engineering, transportation, timber valuations, cost estimates, budgetting and control.

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Friendly and Efficient

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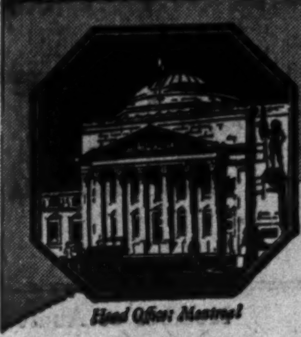


Head Office: Montreal

Wherever your business extends in Canada . . . there is the Bank of Montreal.

MODERN, EFFICIENT BANKING SERVICE
. . . . the outcome of 116 years' successful operation . . . .

BANK OF MONTREAL
Established 1817

Timothy Seed Production Down

Domestic production of timothy seed in Canada is still far short of consumption, it is noted in a report of the Saskatchewan Department of Agriculture, indicating an opportunity for growers in the West. Timothy ordinarily yields from 200 to 300 pounds of seed per acre, and growers have received on an average about 6½ cents per pound for the seed basis No. 1 grade, over the past three years.

SECRETARY-TREASURER

An English corporation, enlarging their Canadian operations, requires the services of a secretary-treasurer. This company has been operating for 26 years and the expansion of their established Canadian business makes this move necessary. Applicant must come well recommended and experienced. An investment of $15,000.00, fully protected, in the Canadian Company is essential. All applications in strict confidence. Box 300, The Financial Post.

Announcing

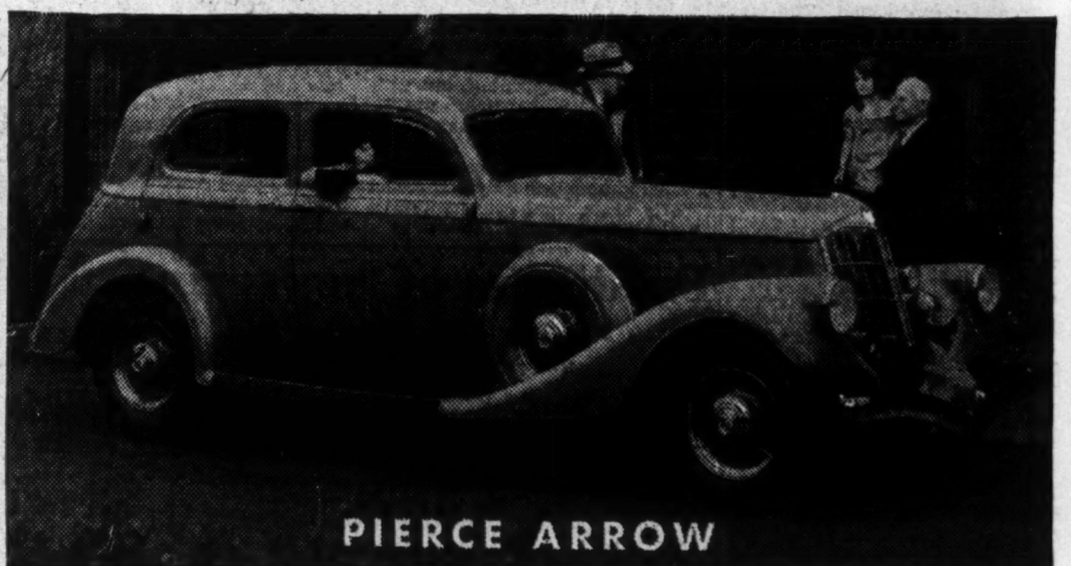
THE NEW PIERCE-ARROW

at an unbelievably low price

$3225
F.O.B. FACTORY FOR BROUGHAM
$3375 FOR 5-PASSENGER SEDAN
Government Taxes Extra
(Subject to increase without notice)

HERE you will see the newest of all cars . . . a real full-size, full-powered Pierce-Arrow Eight, at the lowest price in Pierce-Arrow history. Built as Pierce-Arrows are always built . . . in the same factory, with the same precision methods . . . by the very men who make Pierce-Arrows that sell at twice the price. No other car at anywhere near its price represents so many superiorities . . . so many hours of hand-craftsmanship . . . so many tests and inspections. For instance: —9710 separate precision gauges are used 67 micrometer measurements check each crankshaft . . . 135 horsepower engine conditioned at factory to equivalent of 700 miles of road-operation. The Body is custom-built by Pierce-Arrow. The color finish takes 58 operations, 28 more than average car . . . Insulation like newest air-liners . . . Box-girder frame with tubular cross-members . . . 67 anti-friction bearings in chassis, 27 more than any other Eight . . . Full-power brakes, exclusively Pierce-Arrow, stop car in ⅓ less time, and in ⅓ less distance.

INVITATION: Please see this new car. Please drive it yourself so that you can form your own opinion. Give it any test you wish. Compare it directly with any car. That is the only way to know what this Pierce-Arrow offers.



135 HORSEPOWER . . . 136-INCH WHEELBASE . . . BROUGHAM $3225 . . . SEDAN $3375 (F.O.B. Factory . . . Government Taxes Extra)

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MONTREAL, QUE.
The Motor Guild
4188 St. Catherine St. W.

OTTAWA, ONT.
Beach Motors, Ltd.
533 Bank Street

EDMONTON, ALTA.
Kenn's Service Garage, Ltd.
9947-109th St.

LONDON, ONT.
Universal Motor Sales
354 Clarence Street

ST. CATHARINES, ONT.
International Garage
27 Mary Street

VICTORIA, B. C.
Jameson Motors, Ltd.

HALIFAX, N. S.
W. H. Golden
80 Sackville Street

THE PIERCE-ARROW COMPANY of CANADA, LIMITED
WALKERVILLE, ONTARIO

Mass Buying Enquiry

Chain Store Evidence Expected Soon as Committee Works Toward This Phase Through Canning Industry

From Our Own Correspondent

OTTAWA.—Next week the Price Spreads committee is expected to turn back to the earlier phases of its investigation.

In the present week the committee has continued the probe of the tobacco industry. Immediately following this the fruit and vegetable growers were heard. It is the belief here that the investigation into fruit and vegetable growing will involve the canning industry which, in turn, will bring the committee back to the chain stores.

The preliminary investigations of fruit and vegetable production indicate that growers receive low prices and that these are determined largely by the canning industry. But the canners, it is said, declare they are unable to pay more to the growers because their sale prices are fixed by the chain stores.

Return to Main Object

In working back through this sequence to the chain stores, the committee will pick up the main threat of its original enquiry. After the chain stores will come the departmental stores.

The Financial Post continues its chronological summary of the evidence:

R. J. Pinchin, vice-president of Copeland Flour Mills Ltd., Midland, Ontario, was the first witness called on May 1.

Prior to obtaining evidence from Mr. Pinchin, committee counsel filed certain extracts from the federal investigation into the baking industry.

Mr. Pinchin stated that the entry of milling companies into the baking industry in 1927-28-29 resulted in the beginning of uneconomic competition between controlled bakeries and independent units.

In this competition, the large resources of the milling companies were used to compete with independents.

Summarizing his opinion, witness stated, in part, as follows:

"I submit that the mill bakery combination has been largely responsible for throwing the bakery structure out of balance and the industry as a unit into a state of unprofitable disorder.

"It is my considered opinion and personal conviction that the entry of the chain store companies as bread producers and the efforts of the resourceful, independent bakers presented that which had every indication of becoming a complete monopoly of the bakery business in the hands of a few large milling units.

"The picture of the baking industry which you discern to-day is largely the result of liquidating and clearing away the wreckage of this admittedly unfortunate attempt, both economically and socially on the part of the large milling units to wage their merchandising warfare on the baking rather than on their own field of flour distribution."

Questioned regarding his solution of the tangle into which the baking industry had been drawn, Mr. Pinchin made the following statement:

"Either the mill-bakery threat to the baking industry continues until 2,700 independent bakery units and all those dependent thereon have been slowly squeezed to the point of complete extermination or immediate steps must be taken to counteract its power as a disturbing adverse influence in our economic system.

"The procedure to be followed should be evolved by a group of experts qualified by experience and recognized ability to intelligently study all the various and intricate problems involved.

Reorganization Plan

"If the baking industry is to contribute its share of stability to our economic system, the solution must satisfy the following major requirements among others:

1. The baking industry must be restored to its status as a local independently operated business.
2. There must be ultimately a complete severance of any direct connection between mills and bakeries.
3. Mill-bakery subsidiaries should not be allowed to dispose of existing plants or rent same at the nominal charge to be operated by new tenants or owners except on a basis which represents the capital investment at least relative to the independent units tributary thereto.
4. Uniform wage scales and conditions of employment should be established.
5. No attempt should be made to arbitrarily impose on the baking industry throughout Canada one set of rules and regulations, likely to have the effect of suppressing free and healthy competition.
6. Trade associations with small local units should be encouraged to which all members should belong.
7. Fixation of prices whenever considered to be in the interests of the trade and the consuming public should be confined strictly to an established minimum."

Rise of Large Units

Witness referred to the rise of the large bakery units stating that in 1929, 76 units of nearly 3,000 did 28 per cent of the total business in Canada as compared with 61 units doing 42 per cent in 1932. Actually, he said, an analysis revealed that the installed capacity of baking units controlled by milling companies exceeds by 6 per cent the total bread sales in the whole market and these controlled units are only participating in 38 per cent of the business. Naturally, he said, the milling companies called a halt in this expansion.

Witness suggested a complete investigation of the controlled bakeries in order to secure complete particulars of the price in cash and securities paid for baking units, replacement costs of these units at time of purchase, depreciated value at time of purchase, the present value of the same unit, the loss in wages received by all bakery employees and the increased cost of bread to the consuming public.

Production Cost Above Retail Price

J. R. Jetté, manager of I. Caron Ltd., Montreal, a baking concern, was the next witness called on May 1.

Witness stated that analysis of his cost of production showed that he was unable to meet the present selling price which had been dictated by severe competition in the market. He felt that all other French Canadian bakeries were in the same position. As a result, wages had had to be cut severely. Witness filed a schedule of wages with the committee.

Witness thought that the bakeries should be operated by individuals or private companies and not by milling units, because the leaders must know the local tastes and preferences.

Mr. Jetté made the following suggestions:

1. Regulation of working hours in the industry.
2. Regulation of the number of apprentice employees.
3. That bakers be allowed a profit of 10 per cent after counting all expenses, depreciation, etc.
4. Regulation of salaries and the setting of minimum salaries.
5. Fixation of the wholesale and minimum and maximum prices.

Explain Price Changes

W. H. Harrison and G. E. Harrison of the firm of Harrison Bros. Limited, Montreal bakers, were the next witnesses on May 1.

Witnesses gave evidence on the changes in the price of bread. In 1930, they stated the retail price of bread was 12c a loaf, while chain stores were distributing for 10c. From then, the prices were reduced gradually through 1931 and 1932 to 6c a loaf. This was the retail distribution price, he said.

Use of bread by chain stores as a loss leader was denounced by the Harrison brothers. They said that the extremely low prices forced bakeries to reduce their price below production costs. They alluded to the difference in the type of bread sold for 5c in chain stores and the regular 10c loaf; the chain store loaf was not of the quality of the other bread, they said.

In conclusion, witnesses filed a series of advertisements showing trend of reduction in price by chain stores, including combination sales of bread and milk, and also of bread alone, at prices said to be below cost of production.

Former Chain Baker Testifies

Cecil Morrison, manager of Morrison-Lemoth Limited, Ottawa, bakers, was the next witness on May 1. Mr. Morrison stated that he was formerly president of Inter-City Baking, mill-controlled by the Lake of the Woods Milling Company. He blamed the chain stores and small cut throat bakeries for having injured the baking industry.

Witness stated that when he was employed by Inter-City Western he was forced to buy his flour from Lake of the Woods although at times he could have purchased the same quality of flour cheaper from other sources.

As a result of chain store competition in bread, witness stated that he had to cut wages severely in order to meet competition. Witness reiterated his opinion that chain store loss leader selling of bread had ruined the industry.

In his experience of ten years in the industry he had never seen a profit of more than a cent a loaf of bread.

Witness stated that the big milling-baking companies supplied bread below cost to the chain stores. He thought that quality bakers would have been farther ahead if they had never sold a loaf of bread to a chain store.

Unethical Practices

E. A. Berges, of Berges & Shelley, Kitchener, bakers, was the next witness on May 1. Witness stated that in his area there is one chain baker selling to the chain stores so that the latter offer bread at one cent below retail price. Otherwise, he stated, he had no fault to find with the chain bakery as they had always maintained the price on house to house delivery.

What he referred to as "fly-by-night" bakeries were the chief cause of the difficulty in the industry. He stated that these men started up and sold to independent stores at ridiculously low prices. Because of this competition, wages had had to be cut to a tremendous extent. Witness agreed that use of bread as a loss leader was their problem.

Independent Supports Chains

James Dempster, member of an independent Toronto baking concern, was the first witness on May 2.

Witness stated that he thought that the mill-controlled bakeries conducted business in a business-like manner, as they saw it, and that his firm had been successful in competing for a section of the Toronto market alongside of the mill controlled bakeries. He thought, however, that the merchandising methods used by these bakery concerns which had forced independents into the same costly methods resulted in higher prices for bread and therefore, were not to the advantage of the consumer.

Chain store "loss leader" selling and operation of bootleg bakeries were the two chief causes in creating unfair competition in Mr. Dempster's opinion. He said that bootleg bakeries with no standard of baking were thereby able to produce bread and sell at prices below firms operating on a fair wage basis. He instanced the case of an independent bootleg bakery in Toronto, paying wages of about $7 or $8 a week, obtaining a contract from the House of Industry to supply bread and doing so at prices which could not be met by ethical independent bakers.

Chain store loss leader selling has been practically eliminated during the past year as far as Toronto was concerned, Mr. Dempster said. However, up until the middle of 1933 chain stores were selling a considerable amount of bread below cost and in one instance, at least, giving away bread free.

Wants Minimum Wage

All Mr. Dempster asked in order to place the business on a sound footing was a compulsory minimum wage scale with heavy penalty for infraction and compulsory elimination of loss leader selling of bread. He felt that independent bakers operating on an economical basis would then be able to survive.

Mr. Dempster stated that his firm had been able to supply grocers with a loaf to sell at 7 cents in competition with chain stores—even those which had their own bakeries—but this was of course a second grade loaf. The delivered price of this loaf was 8 cents and 10 cents for the first class loaf. The latter was not sold through either chain or independent stores.

Mr. Dempster felt that the remote control feature of mill-owned bakeries was unsound. Local conditions had to be met immediately they occurred, he said.

Chain Store Competition Severe

H. W. Ward, vice-president of Canadian Bakeries Limited, Calgary, a chain system of bakeries operating in B.C., Alberta and Saskatchewan, was the next witness on May 2.

Mr. Ward stated that competition from chain stores, both those which owned their own bakeries and others which purchased their supplies from independents, was the chief trouble with the industry in these three provinces. He filed a number of exhibits showing advertisements of chain store concerns offering bread as low as three cents. In addition he referred to competition from small bakeries operated under insanitary conditions by foreigners.

Witness stated that his chain bakery concern attempted wherever possible to have local men managers of their plants in any city or district and to become as much a part of that district as possible.

Witness hoped that the new government plans in British Columbia would help to enforce the minimum wage scale, eliminate the use of bread as loss leaders and check up on insanitary conditions. The same was true of Alberta. In Saskatchewan at the present time, the use of bread as a loss leader was very rife, he said. His concern was only able to pay its way by failing to write off sufficient money for depreciation, he said.

Toronto Baker Testifies

Mark Bredin, of Bredin's Bread Ltd., Toronto, was the next witness on May 2. Mr. Bredin stated that he also represented the Canadian Bakers' Association. This association, with 45 members registered, represents both independent and mill-owned bakers in Canada. All the bigger bakers are members of the association from coast to coast, witness said.

Mr. Bredin quoted bread prices as advertised by chain stores in various parts of Canada showing that prices were well below the established selling price and also a number of instances where bread was offered as a free inducement to purchase. Mr. Bredin could not say who made these loaves.

Reduction in the price of bread did not help to increase consumption, according to statistics produced by Mr. Bredin.

Witness explained that while production costs had declined slightly, distribution costs were steadily climbing, due, he said, to the fact that people are demanding more in the way of service all the time. Explaining this additional service, witness stated that instead of delivering only bread, drivers now had to carry cakes and spend considerable time trying to sell householders cake in addition to bread.

Chain Store Competition

Chain store competition was also adding to costs, which he explained. He said that some years ago a wagon would serve 20 customers on one street, but since the advent of chain store bread selling they served perhaps only 10 or 12.

Concluding, Mr. Bredin filed a statement setting forth the reasons for the trouble in the baking industry, according to his association, which were briefly as follows:

1. Sale of bread below cost.
2. Special discount allowances.
3. Rebates, etc.
4. Sale of bread on consignments and taking back of bread already sold in exchange for fresh.
5. Shipping or trucking bread into an area outside the shippers' immediate community at a lower price than the prevailing price in that market.
6. The giving away free of bakery products in order to obtain new business.
7. The use of bread as a loss leader.
8. Sale of bread over the counter by chain and other stores at less than retail wagon prices.

Stabilization Plan

As recommendations for stabilization of the industry, Mr. Bredin suggested as follows:

(a) To require all bakers, jobbers, and independent distributors of bread, to operate under license.

(b) Issuance and continuance of such license being conditional upon compliance with regulations.

(c) Setting up of an advisory board representative of the bakers to assist the licensing bodies in carrying out functions.

(d) Regulation of the price of bread in co-operation with the board or committee. Such prices to include a fair scale of wages with a minimum wage and maximum hours as adopted.

(e) To compel a high standard of cleanliness and sanitation.

(f) Definition and prevention of unfair trade practices.

(g) Elimination of the spread between the retail price of chain and other stores and retail wagon price.

(h) Proper consideration of the customer's interests in the performance of all its functions.

G. P. Doyle, clerk of petitions, House of Commons, appeared before the committee on May 3 and filed all petitions and resolutions of protest received by the House of Commons during the present session against the imposition of an excise tax on raw leaf tobacco.

Without exception these protests came from Quebec growers.

Imperial Tobacco Head

Gray Miller, president of Imperial Tobacco Co. of Canada, Montreal, was then called.

The morning session was devoted entirely to questioning Mr. Miller regarding the financial set-up, business connections, amalgamations, dividends, profits, etc., of the Imperial Tobacco Company. Briefly, the history of the company, as set forth in the statement presented to committee members, was as follows:

Present company was incorporated in April, 1912, to acquire as a going concern a company of the same name incorporated in 1908, which latter was a result of a merger of the American Tobacco Co. and the Empire Tobacco Co. The controlling interest in B. Houde Co. and National Tobacco Co. was almost immediately secured.

In 1929, present trademarks and brands were purchased from American Tobacco Co. for $2,000,000; 2,100 ordinary and 210 preference shares of Scales & Roberts Ltd., and 3,000 ordinary and 600 preference shares of H. Fortier Co. were purchased in that year; and a controlling interest in General Cigar Co. was obtained.

In May, 1930, the company obtained the entire capital stock of Tuckett's Tobacco Co. of Hamilton, largely by exchange of shares. Later in the year, the company purchased a minority interest in the General Cigar Company, thereby becoming outright owners.

During 1932, two wholly owned subsidiaries were incorporated, namely, Imperial Tobacco Sales Co. of Canada, and Imperial Leaf Tobacco Co., the former to undertake the wholesale selling end of the business and the latter the raw leaf buying.

Quotes Raw Leaf Prices

Toward the close of the afternoon session, Mr. Miller was questioned by Mr. Somerville regarding the prices paid by the Imperial Tobacco Co. for raw leaf tobacco. Starting with 1927, Mr. Miller's statement showed that the average price for the flue-cured crop was 33.9 cents; in 1928 the average price was 31 cents, and Imperial Tobacco paid an average of 32.3 cents for 80.9 per cent of the crop; in 1930 the average on the crop was 32.0 cents, Imperial Tobacco paying 31.1 for 85 per cent of the crop. In 1931, the average price for the whole crop was 20.5 cents, Imperial average being 21.9 cents for 50 per cent of the crop. In 1932, the average was 16 cents, Imperial paying 17.3 per cent for 56 per cent of the crop.

Questioned as to who "made" the market, Mr. Miller replied that many charges had been made against Imperial Tobacco for their alleged dictation of prices. He said, however, that he flatly denied any intent or desire to dominate the market or otherwise demoralize the producers, and added that he was authorized to state that Imperial would be pleased to meet all buyers for the purpose of determining a date on which other buyers will effect their first purchases.

Questioned further, Mr. Miller stated that, in his experience, Imperial Tobacco had always opened the market, that is, placed the first order.

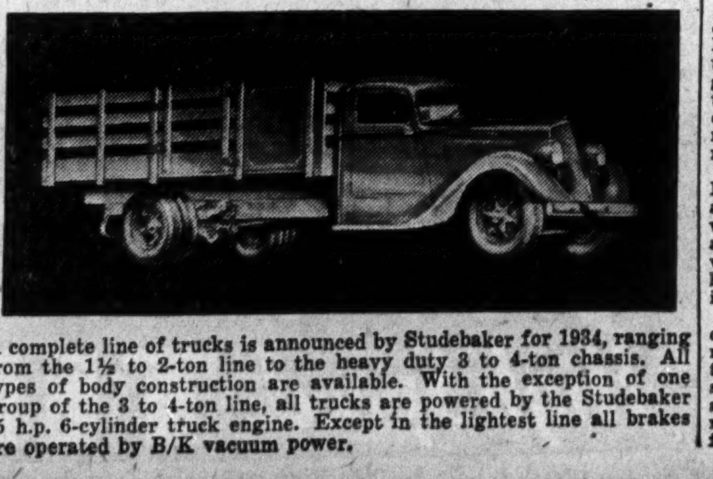
Price Drop Unexplained

Questioned regarding the quick drop from 30 to 20 cents in 1931, Mr. Miller stated that he could not answer that question. Mr. Somerville suggested that orders from New York told Imperial to cut the price to 20 cents in the second week of the 1931 market, but Mr. Miller denied any recollection or knowledge of this.

Introduction of the new buyer, a Mr. Lee, resulted in prices being cut and creating such a panic that appeal was made to the government for help against this new buyer, Mr. Somerville suggested. Mr. Miller stated that he never realized this condition existed.

Further suggestions were made by counsel that Imperial Tobacco had made a right-about-face in policy in the second week of the 1931 buying season and thereby hurt growers considerably. Mr. Miller, however, averred that he was not cognizant of the fact.

Announce Studebaker 1934 Trucks



A complete line of trucks is announced by Studebaker for 1934, ranging from the 1½ to 2-ton line to the heavy duty 3 to 4-ton chassis. All types of body construction are available. With the exception of one group of the 3 to 4-ton line, all trucks are powered by the Studebaker 75 h.p. 6-cylinder truck engine. Except in the lightest line all brakes are operated by B/K vacuum power.

Thomas Maher May Soon Leave His Radio Work

From Our Own Correspondent

MONTREAL.—Rumor here says that Thomas Maher, Radio Commissioner, is considering other fields of activity, and may shortly resign from the Canadian Radio Commission. It is possible that the rumor is merely chaff blowing in the gusts of gossip which continually encircle the Canadian Radio Commission. It is said that Mr. Maher has been spying out other more fertile, and less troublesome, fields of endeavor than the C.R.C.

When the Commission came into being, Thomas Maher, because of his former affiliations, was regarded as the political third wheel in the Hector Charlesworth — Col. Steele carryall. Latterly, due to his political weight and the troubles in which the Commission became involved, he was popularly supposed to be the guiding force of that belabored government body.

PHOTO ENGRAVERS EARNINGS $61,245, $2.04 PER SHARE

Bank Loan Reduced and Current Assets Improved Materially

Photo Engravers & Electrotypers, Ltd., which was formerly paying $2 a share on 30,000 no par value common shares outstanding until dividends were dropped for the time being after June 1, 1932, earned $2.04 a share in the year ended February 28, 1934, as compared with $2.03 a share in the preceding year. Actually in 1933,—W. T. Northgrave, president, tells shareholders in the financial statement,—the company was confronted with a reduced volume of business offered, increased costs, and direct taxation. By careful attention to expenses and making all possible savings in production costs, purchases, exchange and interest items, however, a satisfactory result was attained.

Current assets showed a perceptible strengthening and the company reduced bank loan from $250,000 to $185,000. The financial statement does not include the bank loan in its current liabilities but even when it is so included, it is apparent that the company reduced its working capital deficiency by nearly $300,000 until it nearly disappeared.

INCOME AND SURPLUS ACCOUNT
Years Ended Feb. 28

	1933 $	1932 $
Net earnings	......	137,514
Less: Depreciation	......	62,282
Income tax	......	14,172
Net profit	*61,245	61,060
Less: Dividends	......	60,000
Surplus for year	......	1,060

*After depreciation but before Dominion income tax.

Working Capital

	1933 $	1932 $
Current assets	205,590	236,199
Current liabs.	212,709	539,088
Working capital*	7,119	302,889
Ratio	0.96—1	0.53—1

*Excess of current liabilities over current assets.

More Business in 1934

The amount written off for depreciation is not shown in the above table but the value of plant, machinery and equipment dropped $91,295 to $573,099 in the course of the year.

Increase in current assets was the net result of the following changes in individual items: cash up from $6,911 to $15,631; accounts receivable up from $94,600 to $127,877 on account of increased business in January and February, 1934; inventories up from $35,877 to $46,707; cash surrender value of life insurance up from $14,773 to $15,374.

Common Equity $26.45

The equity of 30,000 no par value common shares is thus $18.93 in depreciated plant, machinery and delivery equipment and $7.52 a share in the $225,551 shown for investment in subsidiary, The Process Engravers Realty Co., Ltd. The total equity is therefore $26.45 a share.

Groceries and Meats in "Cellophane"

Bulk Groceries and Meats are Sales Leading Specialties in "Cellophane"

The April 28 issue of "The Financial Post" carried a full page article entitled "Seeing Is Believing." This was the general story of "Cellophane." The article on this page is the first of a series dealing with "Cellophane" in specific industries, published by the "Cellophane" Division of Canadian Industries Limited.

These "See-What-You-Buy" departments in a Hudson's Bay Company store (lower) and a new Stop & Shop store (upper) mark the modern store and give "Cellophane" bags the opportunity they need to turn bulk groceries into profitable specialties.

IN THE Grocery field the change in store layout, which is seen everywhere today, has thrown an interesting spotlight upon the quality that makes "Cellophane" useful. The development and popular acceptance of the Groceteria idea has placed the burden of selling upon the product itself. Revealed in "Cellophane," products invite purchase yet never in their appeal give rise to the unpleasant reaction associated with "high-pressure" selling—reactions occasioned by, for example, too much suggestion on the part of the sales clerk.

Displayed in "Cellophane" bags, such products as prunes, tapioca, beans, barley, noodles, peas, tea, coffee, nuts, rice, lentils, soup mixtures, dates, raisins, figs, peaches, apricots, macaroni, potato chips, spices and many other similar products have come out of obscurity and shone as sales leading specialties registering sales increases of from 50% to 700%.

"Visible packaging in 'Cellophane' makes dead items live," acclaims a chain store executive. "When housewives *saw* the noodles, sales jumped 89%," says an independent grocer. "Our package business has shown a remarkable increase since we adopted 'Cellophane,'" avers a manufacturer.

In the face of these impressive testimonies, however, one must realize that "Cellophane" has proved a successful merchandising aid only through the intelligent application of the qualities that it brings to selling. The initial cost of "Cellophane" bags is slightly higher than that of ordinary paper bags, or many other wrapping materials, yet a method which makes the most of Visibility, Cleanliness and Convenience, also makes this first additional outlay a profitable investment. Groceries in "Cellophane" bags attract by their appearance — shoppers can see at a glance what is offered, and the conviction of the good condition of the product is obvious. Through "Cellophane" items which in the past have been classified as "demand" items—items which the customer had in mind purchasing before entering the store—are now changed to "impulse" items — bought on the spur of the moment through the direct reminder of the article itself, attractively displayed.

"Cellophane" carries with it a definite economy for the grocer. Less time is taken up in making the sale and efficiency is established through the fact that packaging may be done during the slack hours rather than, as formerly, piecemeal at the very periods when salespeoples' time is at a premium.

The remarkable increase in the use of "Cellophane" is aided by its easy accessibility. "Cellophane" bags are available in standard sizes, ready made and suitable for every need. Printing on "Cellophane" is capable of many attractive effects and does away with much of the labeling costs inherent in the old method. Special pencils are now on the market that write legibly on "Cellophane"—a great convenience in pricing goods.

In Summary

Here is an enlightening summary of "Cellophane" advantages sent by a food manufacturer to his trade:—

1. Attractiveness.
2. Sanitary Qualities.
3. Quick sales — a time-saver for both clerk and customer.
4. Does away with scales, bags, boxes and string.
5. Enables displaying large variety through saving in space.
6. Goods can be attractively displayed without the aid of extra equipment.
7. Increases sales as the average unit sales will be of larger amount.
8. No weighing or packaging—clerks' time can be used to better advantage promoting sales.
9. Increases profit — you know what your profit is as there is no loss through down weights or excessive sampling.
10. Products must be good—"Cellophane" enhances "quality items" and throws the spotlight on inferior ones.

All these benefits await the grocer or manufacturer of grocery products who is prepared to approach the "Cellophane" question intelligently. Let him ascertain what type and weight of "Cellophane" is best suited to his lines and, having chosen plain transparent, moistureproof, bags or overwraps, give "Cellophane" an opportunity to work for him to its best advantage. Then he may expect to reap the rewards that have come so easily to many others in the food products field.

"Cellophane" Carries Brand Identification of Meats into the Home

Ten years ago, Wm. Davies Company Limited, did a most successful job of pioneering when they introduced a few items of their line in "Cellophane." It was the first time anywhere that meat products had been wrapped in this material.

Loblaw in Toronto was quick to take up the new wrapping, and increased sales followed hard upon the adoption of "Cellophane." Since that time the use of "Cellophane" on units such as sliced bacon, sausages and other smoked or cured meats has become standard throughout practically the entire industry. Such general acceptance of a method of wrapping suggests that there must be something more than merely a material involved. The fact is, so many advantages are secured through the wrapping of products in "Cellophane" that "Cellophane" today has become a definite *method of merchandising.*

Popular Acceptance

"Cellophane" wrapping of meats has caught the imagination of the buying public.

1. To be able to see meat, bacon or sausage through a wrapper which keeps it sanitary and fresh, is a distinct "Cellophane" advantage. The further advantage of pick-up items and no waiting for order to be sliced is bringing considerable profit to packers and retailers.
2. Buyers today want the products of government inspected abattoirs and packing plants *delivered protected from outside influence which might affect them between the plant and the point of purchase.* "Cellophane" does this, giving complete germ-proof protection.
3. "Cellophane" gives an identified package—enables the product to command a price as a definite specialty—not "just ham" or bacon or sausage.
4. Gives a quality atmosphere in keeping with a quality product. The good-will the packer has built up by years of expenditure, of effort and money is carried right to the counter.
5. The brand name is carried into the home, permitting the housewife to re-order by name—thus building repeat business.
6. Makes possible a convenient package, ready for instant sale. "Cellophane" wrapped units get preferred display space on dealers' counters and in windows and showcases. "Cellophane" dresses up the product and enables dealers to use such products to dress up their own displays. Attractive displays bring many sales from women who buy "on impulse" and respond quickly to the added sales appeal of meat products in "Cellophane." Printing on "Cellophane" has also meant much to the packing industry. With well-designed colorful "Cellophane" wrappers the packer may identify his own products in a favourable light.

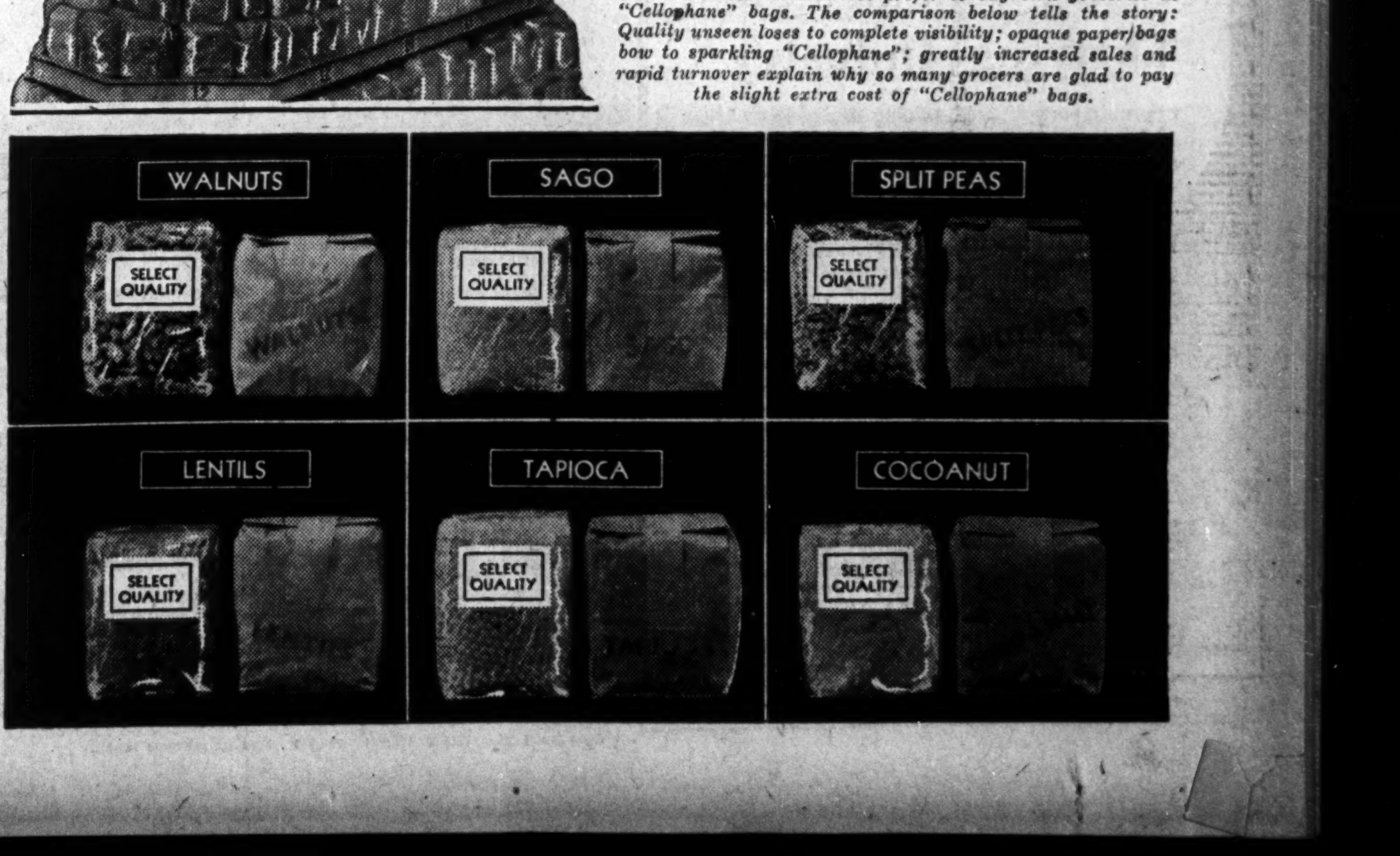
The experience of the largest packers in the Dominion is indicative of the importance they attach to "Cellophane" wrapping. Burns, Davies, Loblaws, Swift, Wilsil and other leading Canadian packers—all prove through packaging a wide variety of their products in "Cellophane" that they realize that "Cellophane" has ushered in a new era of merchandising meat products—the era of the Visible Package. Some packers indeed have as many as sixty different products now in "Cellophane."

A growing field, as yet only slightly touched, is that of ready-cooked meats. Throughout the summer months particularly, there is a constant demand for meats of this variety, and more and more retailers are catering to this class of trade by putting up small unit packages in "Cellophane" which are convenient "pick-up" items. Although "Cellophane" has been used by the meat packing industry for over ten years, new effective uses for "Cellophane" are constantly being developed and adopted.

TRADE REPORT

One of the largest chain store organizations in Canada recently installed "island" mass displays to feature bulk groceries in "Cellophane" bags. Twenty-four different products were put up in this way. Result at the end of two weeks: a sales increase of 400%. Result to date: this remarkable increase has been maintained. The same experience awaits grocers everywhere who take "complete visibility" and "sparkling eye-appeal" into working partnership by adopting "Cellophane" bags to sell their staple products.

. . . No wonder housewives prefer to buy bulk groceries in "Cellophane" bags. The comparison below tells the story: Quality unseen loses to complete visibility; opaque paper/bags bow to sparkling "Cellophane"; greatly increased sales and rapid turnover explain why so many grocers are glad to pay the slight extra cost of "Cellophane" bags.



Utilities and Transportation

INT. UTILITIES WIDENS SCOPE ON PRAIRIES

Dominion Gas & Electric Now Represents 36 p.c. of Assets

International Utilities Corp. in its financial statement for 1933 shows more than one-third of its assets in Canada . This is after taking into consideration the plan of readjustment by which General Waterworks and Electric Corp. in 1933 became General Water Gas & Electric Co. and the revision of the capital structure of Dominion Gas & Electric Co. last summer when American Commonwealth Power Corp. (in receivership) was unable to meet the maturity of $3,000,000 in gold notes held by International Utilities Corp. on July 1, 1933.

Substantial control has been obtained of these two holding companies by International Utilities Corp., and now constitute the major part of its combined investment holdings either held directly or through its control of non-operating subsidiaries like Utilities Shareholdings Corp., Ltd., which is the Canadian corporation holding stock for International Utilities.

At the end of 1933 the combined investments of International Uilities Corp. were shown as follows:

Investments Now Held

Securities:	$	% of Total
General Water, Gas, etc.	4,176,331	31.75
Dominion Gas & Elec...	4,762,500	36.2
Other controlled utilities	1,024,764	7.79
Other investments	3,191,802	24.26
	13,155,377	100.00

The holdings shown for Dominion Gas & Electric Co. consist of $2,284,500 collateral trust 6½ per cent gold bonds out of $7,000,000 outstanding, all of the 25,000 shares of $7 preferred stock outstanding, and 149,367 shares of common stock out of 156,427 shares outstanding. When American Commonwealth Power Corp. surrendered control of Dominion Gas & Electric Corp. last summer and bondholders agreed to recapitalization plan, International Utilities Corp. surrendered $1,000,000 of the $8,000,000 bonds outstanding and cancelled them to reduce the total outstanding to $7,000,000; it also exchanged the $3,000,000 six per cent gold notes for the preferred and common stocks shown above.

Company Buys Own Stock

Because the directors considered the payment of dividends unsound in 1933 when earnings of subsidiaries were being diverted for so many purposes dividends on the $1.75 preferred stock were abandoned after July 15, 1933, and from February 1, 1934, on the $7 prior preferred the dividend was reduced by half.

During 1933 the company acquired and cancelled through the 1932 sinking fund 1,580 shares of $7 prior preferred. It also acquired 5,608 shares $7 prior preferred, 6,702½ shares $3.50 prior preferred, 9,797.8 $1.75 preferred and 11,598 Class A common shares at a cost of $634,414. Amount of shares now outstanding is as follows:

20,603 shares no par value $7 prior preferred initial series;

108,837.46 shares $3.50 prior preferred stock of no par value, series of 1931;

94,707.84 shares no par value $1.75 preferred stock series of 1931;

124,062 no par value Class A shares; and

1,229,8090.5 $1 par value Class B shares.

Of these stocks, total repurchased to end of 1933 amounted to 5,608 shares $7 prior preferred, 6,844.26 shares $3.50 prior preferred, 10,252.48 shares $1.75 preferred, 18,258 shares Class A and 1,895 shares Class B stock.

BONDS WIPED OUT BY SEAMAN KENT

Bonds Exchangeable for Preferred Stock by Reorganization

Seaman Kent Co., Ltd., has been reorganized under a scheme adopted last year, and the undertaking has become vested in a new company by the same name.

The principal effect of the scheme of reorganization was to wipe out the company's funded debt by an exchange of bonds for preferred shares. Consequently, holders of first mortgage, 20-year bonds are now entitled to receive five first preferred shares, par $25 each, in the new company for every $100 of bonds of the old company held. Holders of the bonds can now exchange for the preferred stock by delivery of bonds with attached coupons due June 1, 1931, and following rates.

Unsecured creditors of the company are entitled to receive one no par value second preferred share for each $10 of claims. Common shares in the new company are distributable to shareholders of the old company on the basis of one new share for every 7½ old shares held.

Voting control of the new company rests with the first preferred shares issued in exchange for the bonds. There are expected to be some 19,500 of these shares outstanding with one vote per share. The approximate 14,000 second preferred shares carry one vote for each two shares, as do the 10,000 common shares. This gives 12,000 votes to the second preference and common shares as against the 19,500 for the first preferred.

Shawinigan in Position To Reap Large Rewards

Company Occupies Position in Which It Can Obtain Maximum Benefits from Expanding Business

From Our Own Correspondent

MONTREAL—The outlook for Shawinigan is believed by shrewd observers to be improving. The company is feeling the results of better general business conditions. The chemical subsidiaries are doing better. In the boom days, these plants were expected to have ultimately been able to meet all Shawinigan's dividend requirements as they existed at that time. The depression shattered this illusion. None the less, the world has entered a chemical era in which Shawinigan, through its subsidiaries, will share in the results of chemical progress and expansion.

During the lean years, Shawinigan was forced to sell an increasing proportion of its power output for steam purposes. As the secondary power thus sold had to compete with coal, the prices obtained must have been about $5 a horsepower year. In one sense such power is sold below cost. But power has no cost. Rates have been, and always must be based on the old formula of what the traffic will bear. Whenever Shawinigan—or any other power company for that matter—combatted the depression by selling electricity to make steam, it simply increased its gross revenues by the sums obtained.

Can be Cut Off

Power sold in this fashion can be cut off almost in the twinkling of an eye. The customer has to have time merely to fire his coal boilers. In practice, the customer usually receives longer notice.

Noticeable increases in the industrial and domestic loads are now occurring. To meet these increases, Shawinigan could shut off some of the low-priced power presently going into steam boilers. But it will probably be a long time before the output of this secondary power is curtailed. Shawinigan has new power resources, namely Rapide Blanc, to meet the increasing demand for firm power. Many of the steam boiler customers will in future be retained to form the cushion of power reserves which every power producer must maintain. Except for emergencies like low water or ice conditions, Shawinigan will keep many of the steam boiler customers which the depression forced upon the company.

The full 160,000 h.p. which is soon to be available at Rapide Blanc will be used to meet increasing industrial requirements at a profitable price and the surplus installation in that plant will, as elsewhere in the Shawinigan system, be used for steam boilers.

New Plant Sound

The installation of the full 160,000 h.p. at the new plant will have a bearing on the company's revenues. Only about 15 per cent of the cost of a hydro plant goes into generators, transformers and switching equipment. Even by using some of the generators to feed electric boilers, the company begins to get some return on its investment plus a good return on the investment solely in generating equipment.

The depression forced Shawinigan to find new chemical products and new outlets for its chemical production. As far as power production is concerned it is in a position which it can meet increasing power demands, more especially as the completion of the Rapide Blanc plant provides for a better water control on the St. Maurice River, where are located the company's major plants. Formerly it took ten days for surplus water in the Gouin storage dam to reach the company's plants lower down the river. The facilities at Rapide Blanc permit the other plants to receive additional water within 24 hours.

ST. JOHN DRY DOCK WILL RETIRE DEBT BEFORE MATURITY

Old Bonds Callable at Premium — New Issue Will Replace

From Our Own Correspondent

MONTREAL.—Saint John Dry Dock and Shipbuilding Co. is redeeming all of its outstanding 5½ per cent first mortgage bonds, effective July 5, and a new issue of $3,651,596 of first mortgage bonds carrying an interest rate of 4 per cent is being made. This is in line with the exclusive announcement carried in The Financial Post two weeks ago.

The old bonds are being redeemed by the Royal Bank of Canada at Saint John, Montreal, Toronto and Victoria, at a premium of 5 per cent, together with accrued interest to the date of redemption.

Secured by Subsidy

The new bond issue will be secured by fixed assets and by Dominion subsidy as in the case of the present bonds originally issued to the extent of $3,826,272 in 1920.

Saint John Dry Dock was incorporated in 1916 to build and operate a dry dock at the port of Saint John. This work was completed in 1923. Five years later the company branched out into another field by entering the structural steel business.

In addition to the bond debt, the company has outstanding 5,265 shares of Class A stock and 15,000 shares of Class B stock. Both are of no par value.

Control of the company is held by the Playfair interests.

Strike at Maclaren's Mill Was Soon Over

From Our Own Correspondent

MONTREAL.—The Maclaren Power and Paper Company handled its strike situation expeditiously. Only 36 men went on strike and it is understood that they were all back at the mills producing paper within half a day from the time the strike was declared. The mills are operating on a satisfactory basis.

JAMAICA PUBLIC SERVICE OUTLOOK BETTER THIS YEAR

Business in Jamaica Shows Gain — Earnings to Date Increase

From Our Own Correspondent

MONTREAL.—Encouraging prospects for the current year were reported by Russell D. Bell, president of Jamaica Public Service, at the annual meeting of shareholders. Business in Jamaica, he said, was showing considerable improvement and earnings of the company for March, the last available, showed increases in comparison with the same month last year. Other business of the meeting was routine and the directors were re-elected.

During March, gross earnings amounted to $69,006, an increase of $3,339 over the same month last year. After providing for operating expenses and taxes, the company had a net operating revenue last March of $28,162, against which interest and amortization charges amounted to $9,174, leaving a balance of $18,988. The balance after all charges for March, 1933, was $14,383.

For the twelve months ended March 31, 1934, Jamaica Public Service had a gross income of $807,088 and a net operating revenue of $327,583. Interest and amortization charges totalled $113,686, leaving a balance of $213,897. For the preceding twelve months gross earnings totalled $784,563; net revenue $321,748; and balance after interest and amortization, $210,085.

Genosha Hotel Bondholders To Get Only Small Payment

Only a small amount on the dollar is likely to be available to holders of the $325,000 of 6½ per cent first mortgage bonds of Genosha Hotel Company, Oshawa, which was sold in 1933 for $75,000, The Financial Post is informed.

The down payment of $25,000 on the property is understood to have been used to pay taxes, receiver's fees and costs of sale. The London & Western Trust Company, as receiver, has taken a $50,000 first mortgage in settlement of the balance of the purchase price. Of this, some $35,000 will be required to reimburse the receiver for advances made in connection with completion of the property. Thus, it appears that not more than approximately $15,000 will be available for the bondholders when the mortgage is finally paid.

Public Utility Earnings

Manitoba Power Co.

	1934 $	1933 $
March—		
Gross earnings	105,540	103,629
Oper. expenses	22,401	23,492
Net earnings	83,139	80,137
Three months—		
Gross earnings	316,813	309,822
Oper. expenses	65,479	68,271
Net earnings	251,334	241,551

Barcelona Traction

March:	1934 Pesetas	1933 Pesetas	Incr. Pesetas
Gross earn..	10,238,607	9,861,445	377,162
Oper. exp...	3,632,691	3,329,583	303,108
Net earn. .	6,605,916	6,531,862	74,054
Aggr. gross from Jan. 1	31,879,885	30,747,722	1,132,163
Aggr. net from Jan. 1	21,083,786	20,975,144	108,642

DOMINION GAS EARNINGS COVER BOND INTEREST

In 5 Months Following Recapitalization Earnings on Stock Improved

Dominion Gas & Electric Co. and subsidiaries consolidated income account for 1933 showed total income, before provision for interest charges, dividends on securities publicly held, charges for amortization and depreciation of property and other similar deductions, at $1,852,190 as compared with $1,925,937 in 1932. After these charges net income was $74,865 but details of these charges after the recapitalization are given in a special statement showing earnings after August 1, the date when the recapitalization became effective and it shows that on the changed basis Dominion Gas & Electric has been more than looking after its bonded indebtedness.

CONSOLIDATED INCOME ACCOUNT
Years Ended Dec. 31

	1933 $	1932 $
Operating revenue:		
Natural gas	3,104,037	3,223,618
Electric	1,170,310	1,188,383
Water	14,585	14,607
Total oper. revenue..	4,288,932	4,426,609
Operating expenses:		
Oper. & maint.	1,970,539	2,071,271
Taxes	480,055	454,249
Net inc. from oper...	1,838,337	1,901,088
Non-oper. revenues ..	13,853	24,848
Total income*	1,852,190	1,925,937
Amort. and deprec. ..	537,800	......
	1,314,390	......
Charges of subsid. cos.:		
Int. on funded debt	196,084	......
Int. on unfund. debt	42,261	......
Exchange on prem.	20,462	......
W/o prem. on bonds	4,495	......
Pref. dividends	235,973	......
Min. int. in earn. of subs.	17,275	......
	797,840	......
Chgs. of Dom. Gas & Elec.:		
Bond interest	492,917	......
Int. on notes	105,000	......
Int. on unfund. debt	7,871	......
Disc. on currency..	55,788	......
Amort. of debt disc.	61,399	......
Net income	74,865	......
Recovery fire loss ..	576	......
Oper. deficit at June 30, 1933 ...	455,030	......
Adj. of minority int.	4,057	......
	534,529	......
Deficit at Jan. 1, 1933	443,654	......
Appro. for red. of pref.	70,000	......
Loss on properties..	4,900	......
W/o note receivable	174,266	......
Deficit	158,290	......

CONSOLIDATED INCOME ACCOUNT
From Aug. 1, 1933 to Dec. 31, 1933

	$
Operating revenue:	
Natural gas	1,293,674
Electric	524,871
Water	6,360
	1,824,905
Operating expenses:	
Oper. and maintenance	835,812
Taxes	754,894
Net income from oper.	754,894
Non-oper. revenues	4,620
Total income	759,514
Less: Amort. & depreciation ...	214,712
Interest on funded debt	269,718
Other interest	24,244
Amort. of debt disc.	1,922
Exchange losses	505
Pref. dividends of subs.	97,983
Minority int. in earn. of subs.	6,679
Net income	143,750

Working Capital

	1933 $	1931 $
Current assets	1,308,355	1,349,050
Current liabilities ...	1,560,366	1,718,871
Working capital	*252,011	*369,821
Ratio	0.83—1	0.80—1

*Excess of current liabilities over current assets.

Note—1932 figures not available.

Since International Utilities Co. gained substantial control of the company's junior securities last summer, the requirement for interest is much less than formerly, the $8,000,000 bonds having been reduced to $7,000,000 and the $3,000,000 gold notes formerly held by International Utilities having been cancelled. Further details about the latter's interest in Dominion Gas & Electric are given in a report elsewhere in this issue on its investment holdings.

Net income applicable to 25,000 shs. $7 preferred stock of Dominion Gas is nearly $6 a share for the five months, which would indicate a probable rate of about 45 cents a share for the same period on the 156,427 no par value common shares.

Position Improved

An amount of $201,369 was applied during 1933 to reduce bank loans of Dominion Gas & Electric, and it is reported as well that 1,264 shares of a subsidiary were redeemed at a cost of $93,979 through operation of the sinking fund and $195,326 principal amount of bonds and municipal debentures of subsidiaries have been retired or bought for the sinking fund at a cost of $196,165. The total expenditures for the system for these capital purposes were $491,513 for all these purposes. Part of this was provided from earnings not distributed and part from reserves for depreciation.

The president of International Utilities, P. M. Chandler, states in the report of International Utilities that the position of the corporation's equity in Dominion Gas & Electric has been substantially improved as a result of the reduction of underlying indebtedness and retirement of underlying securities.

Parent Company's Contingents

Contingent liabilities reported by Dominion Gas & Electric Co. and subsidiaries of the latter are given as follows:

Actions for damages	$ 30,800
Action by security holdings, statement of claim for damages from failure to complete drilling contract	25,000
Arrears of rentals on leases to be abandoned .	146,690
Prince Albert franchise agreement capital asset expenditures required before January 30, 1935	121,333
Other franchise expenditure claims compromised at drilling contract bond	8,064
Fire loss claims by insurance companies dismissed but subject to appeal	320,159

Pledged Subsidiary Securities

Substantially the entire holdings of Dominion Gas & Electric Co. in securities of its subsidiaries are pledged by the company as collateral for its collateral trust 6½ per cent bonds ($7,000,000 outstanding.)

In explanation of item "Other bank loans secured and partly secured, $325,868," a note states that "$275,668 is secured by hypothecation of $13,300 of preferred stock of an affiliated company, $42,500 is secured by a general assignment of all book debts of Northwestern Utilities and $7,700 is secured by hypothecation of bonds of an affiliated company of the par value of $10,500."

There are outstanding warrants entitling holders to subscribe to 105,000 common shares of Dominion Gas & Electric.

The Canadian Western Natural Gas, Light, Heat & Power Co. was required in January, 1934, to deposit $46,100 as balance of sinking fund installment of $70,000 payable on 6 per cent cumulative preference stock.

Joins Toronto Exchange

MALCOLM C. OSWALD
Of Oswald & Drinkwater, recently elected a member of the Toronto Stock Exchange, making this firm the first Montreal brokerage house to become members of the Toronto Exchange.

CANADIAN PACIFIC STATUS IMPROVED FOR CURRENT YEAR

Beatty Outlines Situation at Annual Meeting of Shareholders

From Our Own Correspondent

MONTREAL.—Gross revenues of the Canadian Pacific Railway from January 1 to April 21 of this year increased $5,007,000 or 17.3 per cent over the corresponding period in 1933, the increase in freight revenue being $4,287,000 or 19.7 per cent, according to a statement made by E. W. Beatty, chairman and president, at the annual meeting of the Canadian Pacific Railway shareholders.

The improvement in net results of hotels and communications, Mr. Beatty further stated, has continued in the current year. The improvement for the first quarter of 1934 over the same period last year amounting to $64,920 for hotels and $64,090 for communications.

No Dividend Payment

In commenting upon dividend prospects, Mr. Beatty said that no dividend could be paid on either preference or ordinary stock in respect to 1933; as regards a resumption of dividends, it would be necessary for the company to strictly conserve its resources until such time as earnings had returned to a more normal figure. The prosperity of the company, Mr. Beatty said, depends upon the prosperity of agriculture and, therefore, Western Canada, from which territory about 60 per cent of the company's freight earnings are normally derived.

The improvement in income this year has been due to a betterment of freight conditions in the eastern area.

Discuss Rail Situation

After reviewing operations for the year, Mr. Beatty devoted considerable attention to the statute known as the Canadian National—Canadian Pacific Act in 1933, which calls for co-operative measures between the two railways for the purpose of effecting economies and providing for more remunerative operations. Along these lines, he said, among other things:

"The submissions which this company has made, coupled with a recommendation of joint administration by a private company, have caused some people to deduce that the effect of the proposal would be to turn the assets of the National System over to the Canadian Pacific, the Government retaining the liabilities. The Government's guarantee of the National System's securities means that there is no escape from their liability to the holders of these securities save by the unthinkable course of repudiation. The purpose of unification is to provide the owners of the National System with more money to satisfy their obligations than it is possible to secure if dual and competitive systems are maintained; likewise the same economies will increase the revenues of your company. It has never been suggested that the Canadian Pacific should assume ownership of the National System—that will remain with the Government of Canada, as will the ownership of the Canadian Pacific remain with its present proprietors. In effect, the suggestion is a partnership with a division on an agreed basis of the net earnings of the properties jointly operated. Private administration is recommended as that most likely to lessen or eliminate political influence and secure maximum efficiency. I am satisfied that in good times as well as in times of adversity unified administration gives the greatest assurance of economy and efficiency. The objection usually offered is said to be founded on fear of the consequences of monopoly, but I think the fear groundless. Railways do not and cannot enjoy a transportation monopoly, and the public interest may be fully protected by public control exercised through the Board of Railway Commissioners and the Government. I can see no reason why that control should not, under the system I have suggested, be as effectual as it has been in the past."

Approve New By-laws

Shareholders at the meeting gave approval to a by-law authorizing the directors to establish an office in Toronto for registration and transfer of the company's ordinary capital shares. At present transfer offices are maintained at London, New York and Montreal.

Approval was also given to a bylaw authorizing the issue of consolidated debenture stock in Canadian currency. Previously the debenture stock has been issued either in sterling or United States currency.

At the meeting of directors following the annual meeting, Mr. Beatty was re-elected president and chairman of the board, and Grant Hall, vice-president. The executive for the ensuing year is as follows: E. W. Beatty, Grant Hall, Sir Charles Gordon, Sir Herbert S. Holt, W. N. Tilley, K.C., and W. A. Black.

W. I. Bishop Named Member of Montreal Tram Commission

From Our Own Correspondent

MONTREAL.—W. I. Bishop, Montreal has been appointed to the Montreal Tramways Commission to fill the vacancy created by the death of John Archibald.

Farms Average 128 acres

Quebec has 135,957 farms, covering an area of 17,445,089 acres, for an average of 128 acres per farm.

CALGARY POWER PROFITS DECLINE IN 1933 YEAR

But Total Income Shows Marginal Increase

From Our Own Correspondent

MONTREAL—The annual report of the Calgary Power Co. for the 1933 year, reveals a slight increase in total income. The four by nine per cent decline in gross earnings was more than offset by cuts made in operating expenses, and by an increase in the income from investments. The company again increased its allowance for depreciation; and the net available on the shares remained virtually at the 1932 level.

The following comparison of income account figures shows that after depreciation all interest charges were earned 1.97 times over.

	1933 $	1932 $	1931 $
G. op. earn.	1,934,252	2,034,704	2,082,248
Op. exp., etc.	682,576	739,694	772,516
N. op. earn.	1,251,676	1,295,010	1,309,732
Inv. income	291,954	212,500	......
Total inc...	1,543,630	1,507,510	1,309,732
Deprec.	200,000	175,000	165,000
Balance	1,343,630	1,332,510	1,144,732
Bond int....	500,000	500,000	500,000
Exc. thereon	58,929	55,677	34,083
Other int. ..	123,262	108,623	8,876
*Amortiz. ..	35,121	36,121	36,091
Net income..	625,318	632,089	565,682
6% pfd. div.	360,000	360,000	351,420
6% com div.	210,000	210,000	210,000
Sur. for year	55,318	62,089	4,262
Prev. sur...	1,035,606	†973,517	989,378
Total sur. ..	1,090,924	1,035,606	993,640
‡Transfer. ..	356,022	......	......
Surplus	734,902	1,035,606	993,640

*Of bond discount. †Adjusted.
‡To depreciation reserve.

Balance Sheet

The balance sheet shows that the company was able to improve its liquid position during the year—but current liabilities are still materially in excess of current assets. In the following comparison of figures, however, the company's investments now carried at $1,832,727 are not included among the current assets:

	1933 $	1932 $	1931 $
Curr. assets	582,617	532,597	784,360
Curr. liabs.	2,355,557	2,601,955	4,047,224
	1,772,940	2,069,358	3,262,864

President's Remarks

In his remarks to the shareholders, G. A. Gaherty, the president, said in part:

"A sum of $356,022.15 was transferred from surplus to depreciation reserve to comply with a new ruling under the Dominion Income Tax Act.

"Gross earnings decreased, due in part to the loss of the Calgary pumping load upon the completion of the new waterworks of the city in February, 1933.

"Property account was increased during the year by $119,619.35, largely in connection with further work on the Kananaskis Lakes storage project and for the extension of service to 180 country grain elevators. Some storage is now available from this development, which can be increased rapidly as occasion demands. Over 1,500 horsepower of connected load was added by reason of the extensions mentioned.

Serving Canada's Most Thriving Industry

The important gold mining enterprises of Northern Ontario and Quebec are steadily adding to their facilities . . . creating new wealth, employment, and power demands.

This territory is served by Canada Northern Power Corporation which has recently secured power contracts for four new promising gold properties in Northern Quebec.

The Corporation's net earnings for the first quarter of 1934 show an increase of $53,764 over the first quarter of 1933.

We recommend
CANADA NORTHERN POWER CORPORATION
5% Bonds, due 1953
PRICE: to yield about 5.43%

NESBITT, THOMSON
and Company Limited
355 St. James Street West, Montreal
Branches in all the principal cities of Canada
163

Province of Quebec
4% Bonds due March 15th, 1951

Finances of Quebec have received careful administration for many years, resulting in the high credit standing of the Province.

These bonds provide an attractive high-grade investment, particularly in view of the world wide downward trend of interest rates.

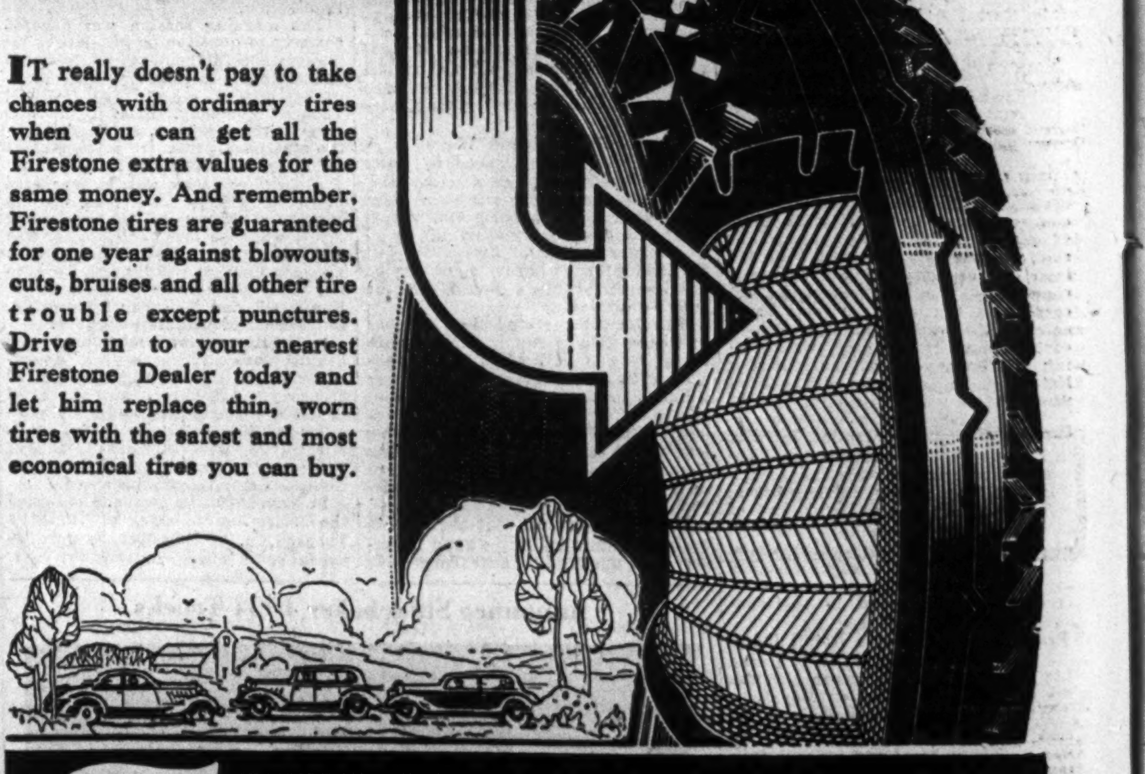
Price: 101 and interest.

Descriptive circular gladly forwarded upon request.

Wood, Gundy & Company
Limited
36 King St. West, Toronto—Tel. Elgin 4321
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Beaupré, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
Espanola, Ont. Smooth Rock Falls, Ont.
Pine Falls, Man. Fort William, Ont.
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Penmans
PEN-ANGLE
Manufacturers of High-Grade
KNITTED UNDERWEAR
HOSIERY and OUTERWEAR
Mills at: Paris, Brantford, London, Waterford, Ontario, Coaticook and St. Hyacinthe, Quebec
PENMANS LIMITED
General Offices: Paris, Ontario



2 EXTRA CORD PLIES UNDER THE TREAD ~at NO EXTRA COST

GET the most for your money—buy Firestone—the tire that gives you 25 to 40% longer tire life—*at no extra cost.* Only in Firestone can you get all these extra features:

1 Gum-Dipped, Safe-T-Locked Cords—every fibre, strand and cord welded together with pure rubber.

2 Two Extra Cord Plies under the tread eliminate blowouts, punctures and loose treads—makes the tire safe at any speed.

3 Safety Tread of tough, heat-resisting rubber is wider, deeper, tougher to give 25% more non-skid wear.

IT really doesn't pay to take chances with ordinary tires when you can get all the Firestone extra values for the same money. And remember, Firestone tires are guaranteed for one year against blowouts, cuts, bruises and all other tire trouble except punctures. Drive in to your nearest Firestone Dealer today and let him replace thin, worn tires with the safest and most economical tires you can buy.

Firestone High Speed TIRES

News of Investment Markets

GAINS RESUMED BY GOV'T BONDS; YIELDS LOWER

Nova Scotia Borrows at Low Cost of 3.71%

Renewal of the strong upward movement in gilt-edged issues featured Canadian bond markets in the week ended May 8. Western provincial bonds failed to respond. Corporation issues showed mixed movements.

As a result of the strength of the gilt-edged market, Nova Scotia borrowed $5,000,000 at a cost of only 3.71 per cent for five year bonds. Although only an intermediate term issue, this is believed to set a new low cost record for Canadian provincial financing on the domestic market.

The upward surge of prices sent The Financial Post's average yield on seven gilt-edged bonds to another new low. The decline of yields, as prices rose, is indicated below:

Average Yield on Seven High-Grade Canadian Bonds

	%		%
May 8	3.970	Apr. 30	4.033
May 7	3.983	Apr. 23	4.030
May 5	3.999	Apr. 16	4.041
May 4	4.001	Mar. 29	4.094
May 3	4.011	Feb. 28	4.270
May 2	4.019	1933 Low	4.350
May 1	4.033	1933 High	4.766

Western Bonds

British Columbia's failure to get a substantial loan from the Dominion Government weakened the market for western provincial bonds. B. C. issues declined by as much as a full point on the bid side of the market. Alberta and Manitoba issues were mostly fractionally lower. Saskatchewan loans, however, were slightly improved.

Among corporation issues, there was a long list of fractional gains and losses. Principal advances were in Gypsum 5½'s of 1948, up 2½ points to 79¾; General Steel Wares 6's of 1952 up 2¾ to 79½, and Canada Cement 5½'s of 1947, up 1¼ to 92. Losses were nearly all of minor importance. Unlike the stock market, corporation bond trading has seen no substantial set-back from initial gains based on general business recovery.

CROW'S NEST PASS MAKES PAYMENTS OUT OF CAPITAL

Dominion Companies Act Permits Such Distribution for Mining Companies

The Crow's Nest Pass Coal Co. net profit in 1933 amounted to $106,367 from all sources after depletion, equivalent to $1.71 a share on 62,127 common shares of $100 par value outstanding, as compared with $36,637 in 1932, or a little less than three times 1932 profits. The company paid $4 a share, however, in 1933, distribution being made in part from depreciation and depletion reserves of the company. Such distribution is permitted under the powers conferred by Section 98, sub-section 2, of the Dominion Companies Act, as these reserves represent wasted capital assets of the company. The total thus distributed to shareholders from capital assets amounts to $565,333 to date.

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1933 $	1932 $
Net earnings:		
Coal and coke	35,005	*30,899
Other income	71,361	68,513
	106,366	37,614
Less: Taxes res.	......	977
Net profit	106,366	36,637
Add: Prev. surp.	......	*27,379
Inc. tax adj.	......	2,832
Less: Tax adj.	498	......
Distrib. to shldrs.	......	†12,090
Balance forward	105,873	nil

*Loss or deficit. †Represents balance of surplus account; in addition, $236,381 was distributed from depreciation and exhaustion funds.

Coal Output Drops

The tonnage of coal produced during 1933 was 291,721 tons as compared with 347,430 tons in 1932. Coke produced was 6,097 tons as against 33,091 tons in 1932. The company's operation at its No. 1 East mine at Coal Creek was resumed and that operation will be continued as long as it is economically possible. The operating mines, states W. R. Wilson, president, are amply equipped and of sufficient capacity to meet any demands for coal or coke which may be reasonably expected in the future. Crow's Nest Pass Electric Light & Power Co., subsidiary, had an operating loss of $10,413 after depreciation. The Morrissey, Fernie & Michel Railway had an operating loss after depreciation of $69,660.

Working capital is shown as very strong:

	1933 $	1932 $
Current assets	1,562,394	737,765
Current liabilities	159,985	130,997
Working capital	1,402,409	606,758
Ratio	0.77—1	5.63—1

The common shares of $100 par value, paid up to the extent of $6,212,667, are shown by this statement to have behind them an equity of $22.57 in net current assets, $12.21 in shares of subsidiaries at cost and $56.11 in depreciated and depleted value of mines, real estate, buildings, plant and equipment. That makes a total equity of $90.89, the balance of the $100 par value representing capital return.

Investment Notes

Significant Investors' Index Numbers
1926 — 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
No. of Securities:	17	6	4	4	10	18	8	87	20	113
1929-33:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	27.3	44.0	30.5	38.6
Monthly Figures, 1934:										
January	98.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	53.5	83.8
February	114.6	13.6	77.1	153.7	73.3	128.2	148.5	123.8	58.0	88.7
March	113.6	13.2	77.1	152.2	76.3	129.4	141.8	128.5	58.0	90.3
April	114.9	13.2	75.2	159.4	76.8	134.3	138.0	133.0	58.1	93.4
Weekly Figures, 1934:										
May 3	112.6	13.2	72.7	162.7	77.7	140.2	146.6	134.5	58.8	99.0

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

Toronto Stock Exchange Index

	20 Indus.	[illegible]	[illegible] Misc.
May 8 close	107.63	118.98	99.51
May 7 close	104.[illegible]	[illegible]	
Week ago	111.55	119.03	100.29
Month ago	113.65	131.06	111.92

Market Values Drop in April

APRIL Bulletin of the Toronto Stock Exchange shows that 427 listed stocks of industrial and mining companies showed an aggregate decline in quoted market values to $3,759,708,754, a drop of almost $18,000,000.

Eight senior gold stocks, the market price of which was adversely affected during the month by the incidence of the gold tax, showed a loss in quoted market values of $48,671,115 to an aggregate of $357,668,352 for the group. In the group are listed eight issues with 21,730,228 shares outstanding, the average price of which fell during the period from $25.92 to $23.31.

Twelve issues of the base metal group recorded a drop of $23,606,726 to a total of $662,604,925. Twenty junior golds lost $3,500,000, while 18 junior base metals slipped off in quoted market values $1,500,000.

Twenty-four utility stocks, such as Bell Telephone, Montreal Power and C. P. R., declined $6,873,595 to $723,298,892. Twenty financial institutions lost $2,000,000, the average price of the group falling from $146.55 to $146.11, while 14 liquor stocks lost $1,500,000, the decline in the alcohol issues being almost offset by the rise in the beer and wine stocks. Fifteen gas and oil stocks dropped $3,000,000 and eight silvers lost $3,136,680, the average price falling from 97 cents a share to 84 cents.

The oil distributing and refining group showed the greatest price change in quoted values of any group. Under the influence of the extra dividend and bonus. declared by International Petroleum and Imperial Oil, fifteen of these issues gained $53,293,901 to the aggregate sum of $833,953,249.

The addition of four new listings to the gold prospect group raised the quoted market values of the 58 stocks in this division to $6,250,000, while 42 issues in the construction section gained slightly more than $5,000,000.

Ford Affiliate Sales Leap

OPERATIONS of affiliated companies of Ford of Canada are reported by Wallace R. Campbell, president, to have considerably increased since the middle of 1933. Their sales in the last six months of 1933 were 6,711 units as compared with 2,615 in the first six months.

At the same time there was a very marked improvement in the value of the currencies of the importing countries in relation to the dollar, and since midsummer of 1933 the demand for the company's products in all its export territories had a very substantial improvement.

Of $6,205,503 of capital invested in the various overseas territories, $5,820,000 is invested in Australia, $238,999 in South Africa, $90,386 in India and $56,118 in Malaya. Upon this investment the affiliated companies have paid to date dividends averaging 5 per cent yearly.

Mr. Campbell states, however, that these affiliated companies are not primarily looked upon as sources of substantial profit, but rather as substantial outlets for the products manufactured in Canada by this company.

From England comes the news that Ford Motor Co. of Canada, will supply the Ford Motor Co. of England with from 2,000 to 3,000 eight-cylinder cars.

The sale may be further stimulated by the reduction of 25 per cent in the horsepower tax which will become effective in the United Kingdom in 1935. This will reduce the annual tax on the Ford V-8 from £30 to £22/10. Under agreement, the Canadian company gives the English company all its V-8 cars to sell and the Canadian company takes the baby Fords for Canada.

Walker Peoria Plant

THOUGH the number of employees needed for the Peoria plant of Hiram Walker & Sons, Inc., soon to be completed, will be very small even though it will be the largest individual plant in the United States, people living in the Peoria-Pekin section see the new plant as giving a great deal of employment indirectly in the cooperage trade, coal mines, corn fields and on railroads and steamships. Peoria is in the heart of the corn belt, one of the largest coal mines in the state is near Peoria and the Illinois River runs past the plant on its way to the Mississippi River. Railroad facilities are good although Peoria is not on a trunk line.

Because of all these advantages Walker products are getting a good deal of favorable publicity both in this district and elsewhere. The fact that Peoria is above an underground lake of the right degree of purity and temperature for making distilled spirits is being featured widely.

Manitoba Paper May Open

MANITOBA PAPER CO., subsidiary of Abitibi Power & Paper Co., which bought a certain amount of pulpwood last season for its mill at Pine Falls although the mill was not in operation, is expected to continue such purchases next summer and fall. The mill was closed down on February 24, 1932, and it is desired to get sufficient supply to keep it running when the need develops. The present shortage of wood, brought about by strict economy in wood operations by all pulp companies, makes such action a wise precaution even if the mill is not opened.

The Pine Fall's plant needs 100,000 cords of pulpwood annually when running at full capacity. With former purchases, it is believed that another 70,000 cords bought next fall would give a year's supply. However, much will depend on the conditions of demand and price.

Bond Sales

Prince Edward Island

Complete list of bids on $300,000 of Prince Edward Island 4's, recently awarded to Hanson Bros., on a 10-year basis, indicates keen competition. Bids follow:

	Bids on Basis 10-year	20-year
Hanson Bros.	99.32	98.88
Bell, Gouinlock & Co.	99.30	96.55
Irving, Brennan & Co., McLeod, Young, Weir	99.23	99.23
A. E. Ames & Co., Dom. Securities Corp., Wood, Gundy & Co., Eastern Securities Co.	99.139	97.339
J. L. Graham & Co., C. H. Burgess & Co.	99.113	....
Imperial Bank	99.06	....
Stewart, Jones & Co., Mead & Co., J. C. McIntosh & Co., Nesbitt, Thomson & Co.	99.099	98.144
McTaggart, Hannaford, Birks & Gordon, Harrison & Co.	98.888	97.338
Griffis, Fairclough & Norsworthy, Dyment, Anderson & Co., Cochrane, Murray & Co.	98.80	97.53
Bank of Montreal, Royal Securities Corp.	98.79	9756
Gairdner & Co.	98.591	97.081
Bank of N. S., R. A. Daly & Co., Matthews & Co.	98.59	96.71
W. C. Pitfield & Co.	98.07	97.27
Fry, Mills, Spence & Co.	97.51	95.813

Nova Scotia

Province of Nova Scotia has sold $5.050,000 of 5-year, 3½ per cent debentures to a large syndicate headed by Bank of Montreal and The Bank of Nova Scotia at 99.012, a cost basis to the province of about 3.71 per cent. Bids were submitted on the full amount of 5-year 3½'s and 15-year 4's; and on half the amount of each maturity and as an average for half in each maturity. Syndicates and bids were:

Syndicates

Syndicate 1—Bank of Montreal, Bank of Nova Scotia, Royal Securities; McLeod, Young, Weir & Co.; Fry, Mills, Spence & Co.; Bell, Gouinlock & Co.; Hanson Bros.; Harrison & Co.; Nova Scotia Bond Corp.; McTaggart, Hannaford, Birks & Gordon.

Syndicate 2—Griffis, Fairclough & Norsworthy; Cochran, Murray & Co.; Dyment, Anderson & Co.; R. A. Daly & Co.; Matthews & Co.; Nesbitt, Thomson & Co.; Gairdner & Co.; Fleming, Denton & Co.; Midland Securities; J. L. Graham & Co.; Drury & Co.; Mead & Co.; C. H. Burgess & Co.; J. C. MacIntosh & Co.

Syndicate 3—Wood, Gundy & Co.; A. E. Ames & Co.; Dominion Securities Corp.; Royal Bank; Canadian Bank of Commerce; Eastern Securities.

Alternative Bids

	$5,050,000 5-yr. 3½'s	15-yr. 4's
Syndicate 1	*99.012	98.16
Syndicate 2	98.90	98.14
Syndicate 3	97.829	97.079

	$2,525,000 5-yr. 3½'s	15-yr. 4's	Average half each
Syndicate 1	99.102	98.35	98.726
Syndicate 2	98.79	98.35	98.57
Syndicate 3	98.279	97.579	97.929

*Successful bid.

Smiths Falls

Town of Smiths Falls, Ont., has sold $40,000 of 10-year serial debentures to Harris, MacKeen & Co. at 95, a cost basis to the town of about 6.09 per cent.

Metal Prices

New York—May 8—
Copper: Electrolytic spot and future, 8½c.
Silver: 43¾c.
London—May 8—
(Long Ton)—
Copper: Electrolytic spot £35 5s; future, £35 10s.
Standard spot, £32 2s 6d; future, £32 7s 6d.
Tin: Spot, £235 5s; future, £232
Lead: Spot, £11; future, £11 7s 6d.
Zinc: Spot, £14 15s; future, £15 2s 6d.
Silver: 19⅛d. per ounce.
Gold: 136s 1½d.
Canada—May 8—
Gold: $34.60.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Wabasso Cotton	*6%	1947	June 1	105
Can. For. Inv.†	7%	1949	June 1	105
St. John D. Dock	5½%	Serial	July 5	105

*$10,000.
†$233,000.

Bond Tenders

2 p.m., May 14, Victoria—$231,000, 5 or 5½ per cent, 15-year debentures for refunding serials maturing.

Foreign Exchange Markets

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	May 1 $	May 2 $	May 3 $	May 4 $	May 5 $	May 7 $
U. S. dollar, High	.5906	.99⅞	.99⅞	.99 13/16	.99 13/16	.99 11/16	.99¾
Low	.5906	.99 11/16	.99 13/16	.99 9/16	.99 11/16	.99 11/16	.99⅝
1933 High	1.000	1.13⅝	1.14¼	1.14 1/16	1.14¼	1.13 11/16	1.13¾
Low	1.000	1.12½	1.13 7/16	1.13⅝	1.14	1.13¼	1.12⅝
U. K. pound	4.8665	5.10½	5.10¾	5.11	5.11	5.10	5.09⅞
Argentina	.9648	.2371	.2384	.2354	.2349	.2279	.2254
Australia	4.8665	4.0608	4.0629	4.0679	4.0610	4.0616	4.0520
Austria	.1407	.1913	.1910	.1910	.1913	.1909	.1905
Belgium	.1392	.2348	.2344	.2339	.2344	.2340	.2337
Brazil	.1963	.0902	.0901	.0901	.0902	.0900	.0900
Czechoslovakia	.0296	.0419	.0418	.0418	.0418	.0418	.0417½
Denmark	.2680	.2289	.2282	.2284	.2289	.2280	.2277
France	.0392	.0662	.0661	.0660	.0662	.0661	.0660
Germany	.2382	.3959	.3951	.3947	.3952	.3947	.3941
Greece	.013	.0095¼	.0095	.0095	.0095¼	.0095	.0095
Holland	.4020	.6799	.6783	.6786	.6796	.6785	.6779
Hungary	.1749	.2976	.2928	.2976	.2981	.2976	.2977½
India	.3650	.3920	.3895	.3905	.3908	.3900	.3903
Italy	.0526	.0854	.0851	.0853	.0853	.0850	.0851
Japan	.4985	.3071	.3062	.3067	.3071	.3060	.3057
Jugoslavia	.1929	.0228¾	.0229	.0228¾	.0228¾	.0229	.0228
New Zealand	4.8665	4.0770	4.0791	4.0841	4.0771	4.0778	4.0682
Norway	.2680	.2574	.2568	.2571	.2575	.2565	.2561½
Poland	.1122	.1912	.1910	.1905	.1905	.1909	.1905
South Africa	4.8665	5.0945	5.0972	5.1034	5.0947	5.0956	5.0835
Spain	.1929	.1373	.1370	.1370	.1372	.1369	.1367½
Sweden	.2680	.2642	.2636	.2637	.2642	.2632	.2629
Switzerland	.1930	.3252	.3247	.3250	.3247	.3246	.3243
Hong Kong	.5422	.3670	.3566	.3571	.3576	.3589	.3646

Beauharnois Mystifies Investing Public Again

Have Banks Still Got $2,300,000 of Guaranteed Bonds? — Has Government Been Released from Its Guarantee? — Announcement Soon?

From Our Own Correspondent

MONTREAL.—An air of mystery still surrounds the Government guarantee of the Beauharnois Light, Heat and Power bank loan. Originally, the Federal Government guaranteed some $16,000,000 of the loans which the company had obtained from the banks. In due course the guaranteed loans were replaced by first mortgage bonds of Beauharnois Light, Heat and Power. The banks took the bonds at a price of 92.45.

The $16,000,000 loan would thus have been converted into bonds totalling some $17,300,000, and the banks were guaranteed by the Government against loss on the resale of these bonds.

Recently the banks sold $15,000,000 of the bonds to the public. The issue was quickly subscribed and prices mounted because of the inherent security and earning power behind the issue.

Apparently, from what has already been disclosed to the public, the banks still hold some $2,300,000 of the guaranteed first mortgage bonds. The question, which is mystifying those in the investment business is whether or not the Government has been released from its guarantee.

Why Not Sold

Others are wondering why the banks did not sell the full amount of Government guaranteed bonds, and why the banks retained some of the guaranteed bonds.

As the loan was guaranteed by the Government in the first place, there seems to exist a delicate question as to the disposition of the profits—if any—which accrued to the banks through the sale of the bonds. Will it go to the banks, or will it go to the Government? If the additional $2,300,000 supposedly still in the hands of the banks is to be issued, who will make the profit on the transaction and to whom will they be sold?

There appears to be a feeling on the street that some definite disposition is planned for the additional bonds, if it has not already been achieved; but no one forecasts where they will ultimately find a resting place. Certain it is that the market would absorb them readily.

In the meantime bankers in Montreal, naturally enough, refuse to discuss either the status of the Government guarantee or the status of the remaining $2,300,000 in bonds. A statement on the situation seems to be up to the Government. And it is understood the next week or two will produce such a statement.

Canadian Brandy-Wines

Canadian Brandy-Wines, Ltd. has been incorporated under Dominion laws to manufacture and deal in all kinds of wines, fruit juices and by-products.

The capital stock consists of 5,000 preferred shares of $100 par value and 50,000 no par value common shares.

John Gleeson Resigns

John Gleeson has resigned as president of Standard Paving, Ltd., and of Standard Paving (Nova Scotia) Ltd., and as chairman of the board of Paving & Materials, Ltd., the parent company of the group.

H. R. AIRD
D. D. MACLEOD

G. T. MEECH
H. S. HEYES

AIRD, MACLEOD & COMPANY
BONDS & INVESTMENT SECURITIES
MEMBERS TORONTO STOCK EXCHANGE
404 ROYAL BANK BUILDING
TORONTO 2.
ADelaide 9481-9488

Inquiries Invited

Direct Wire Connections

Coniaurum Mines Reports Buying of Two New Claims

At the annual meeting of Coniaurum Mines, held in Toronto, Thayer Lindsley stated that two claims adjacent to the Canadel property on the east had recently been acquired at a price of $5,000 each, which the directors considered to be very reasonable.

He read a dispatch from the mine stating that drifting had advanced 60 ft. on No. 18 vein on the 2,000-ft. level of the Goldale claim, and was showing an average value of approximately $5 per ton over an average width of 5 ft. at the present price of gold.

Vein No. 7 A shows values of $6 per ton, over a length of 32 ft. and an average width of 9 ft., the president told shareholders.

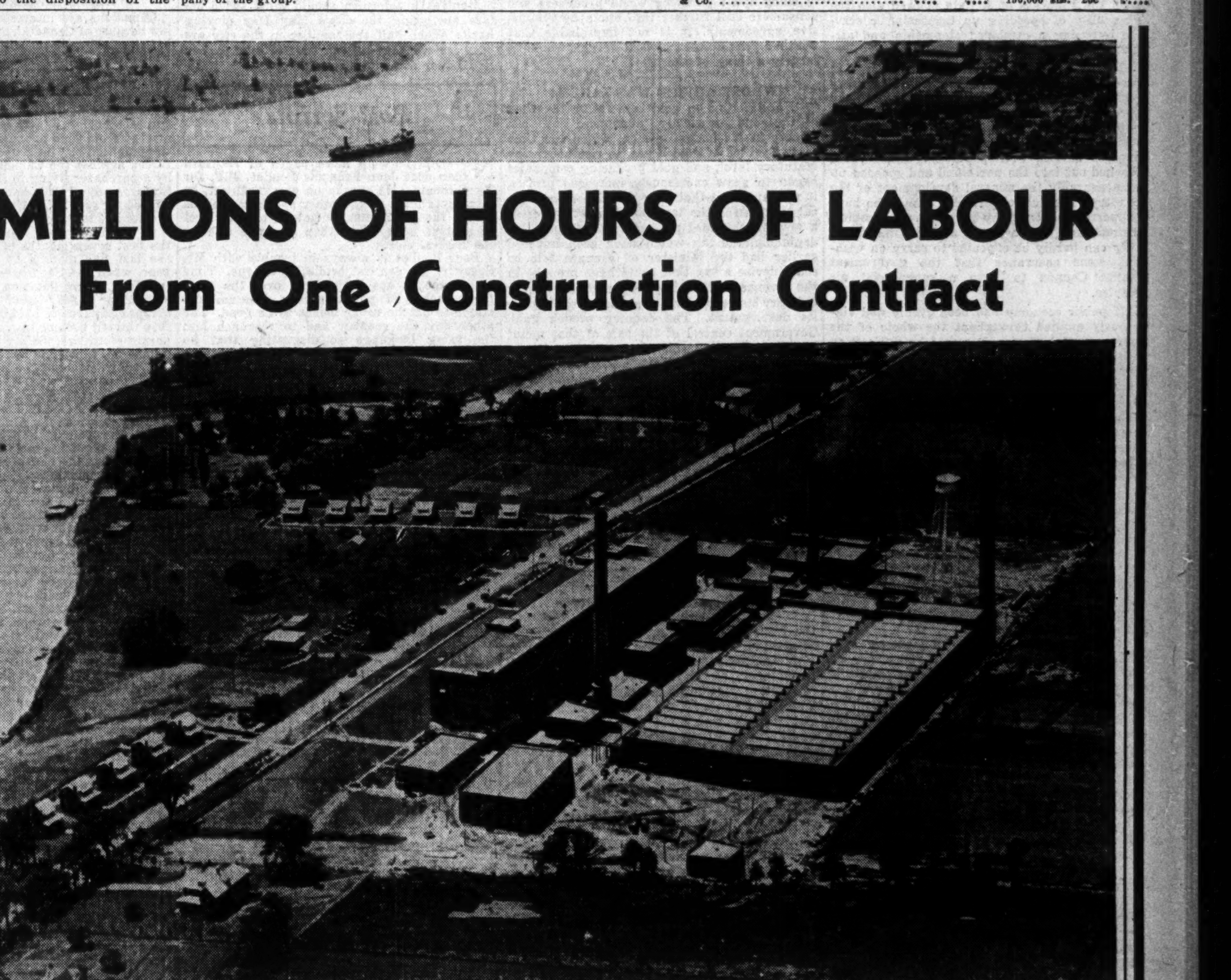
Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Cost
Smiths Falls, Ont.	Mar.	Harris, MacKeen & Co.	5%	10-ins.	$40,000	95	6.09%
Provincial							
Nova Scotia	May 4	Canadian Syndicate	3½%	5-yr.	$5,000,000	99.01	3.72%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date	Offered by	Rate	Class	Amount	Price	Yield
Hudson-Patricia Gold Mines	May 3	Draper, Dobie & Co., Chambers & Co., Rittenhouse, Hamilton & Co., H. H. Peters & Co.	....	....	500,000 shs.	50c	.....
Poundmaker Gold Mines	May	Burry Securities, Ottawa	....	....	500 000 shs.	40c	.....
Cariboo Coronda Gold Mines	May	Bowcock, Morgan & Co., Jay L. Francis & Co., W. F. Hogg & Co., R. C. Gamble & Co.	....	....	150,000 shs.	25c	.....



MILLIONS OF HOURS OF LABOUR
From One Construction Contract

Our seventeenth contract for Courtaulds (Canada) Limited includes the two storey building at the right and several of the smaller buildings.

What construction does to provide employment, revive business and stimulate returning prosperity is strikingly exemplified by the new addition to the rayon plant of Courtaulds (Canada) Limited at Cornwall, Ontario.

Providing *more than a million hours of labour* directly on the building since last October and throughout the winter months, this undertaking has practically eliminated unemployment in the Cornwall vicinity. *More than two million hours of labour* have been provided indirectly throughout Canada in mines — quarries — forests — refineries — transportation systems — harbours and manufacturing plants. From British Columbia to Nova Scotia, Canadians profited from this construction work.

Construction *can* and *does* aid every part of the community.

HERE IS HOW CANADIAN INDUSTRY AND CANADIAN LABOUR BENEFITTED FROM ADDITIONS TO THIS ONE FACTORY

Total cost of new addition to Courtaulds' factory $2,500,000
Expended on Canadian Machinery .... $ 750,000
Expended on British machinery of a kind not made in Canada $ 750,000
Number of Man Hours in direct labour by general contractor 950,233
by sub-contractors 124,536
TOTAL Number of Man Hours by Contractors 1,074,769
Number of hours farmers' teams employed 17,725
Tons of construction material used 37,500
Tons of machinery installed 1,134
Ton Miles of rail freight 6,852,181
Ton Miles of highway freight 90,990
Tons of freight shipped by water 3,138

THE FOUNDATION COMPANY
OF CANADA
LIMITED
MONTREAL General Contractors TORONTO

The Financial Post

Member Audit Bureau of Circulations
Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

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TORONTO, MAY 12, 1934

WHAT IS OUR AIR POLICY?

IT IS most unfortunate that in seeking to reduce the expenses of government, Ottawa has almost entirely abandoned support for commercial aviation and air mail service. We were just beginning to get into our aviation stride when the depression came upon us. We had the beginnings of a transcontinental air mail service. The experiment in connection with the Empress of Britain showed also the possibility of speeding up transatlantic service by using a combined steamship and airplane arrangement.

Taking advantage of a policy, that was in process of formation, various Canadian companies, privately financed and operated, had spread their wings across the country. Most notable of course was Canadian Airways, which not only supplied rapid passenger and express service over populated Canada, but reached out into the northland and speeded up immeasurably the mineral development of the country. The public-spirited citizens who have supported this company have seen their capital dwindle and they are now at the point where they can hardly be expected to carry on without some assurance that the government wants Canada to have a commercial air service.

If public economy had been evenly and vigorously applied throughout the whole of the governmental service, it would be difficult to criticize the savings on air mail. But we have, for instance, continued to operate the Hudson Bay Railway, which has practically no present value and a very indefinite future value, at the same time that we have abandoned air services. This is one example of the many that could be quoted to show how politics rather than the needs of the country have dictated the application of measures of economy.

A fast air mail service in Canada will be necessary in the near future. Vigorous well-financed aviation companies are essential to the development of our natural resources particularly our mineral areas. We boast proudly of our advances in gold output which have contributed to our financial and monetary stability. But the advances of recent years would not have been possible without private commercial air companies.

Canada has the nucleus of a great commercial air fleet. Three or four years ago we were among the leading countries in the world in commercial aviation; today we are sinking to a position among the most backward. If this is the inevitable consequence of the depression and the need for governmental economy, then there is little that can be done about it. But a more than casual study leads to the conclusion that commercial aviation has been made to bear much more than its share of the burden and effort of economy in order that wasteful political expenditures in other directions might not have to be too greatly curtailed.

C. P. R.'S SPLENDID RECORD ON SEVEN SEAS

LAST year steamships owned by the Canadian Pacific Railway steamed in all a distance of 1,420,433 miles and called at 101 different ports in different parts of the world. Incidentally, none of these vessels suffered any accident of consequence during the year. While exact figures of the earnings of the boats are not available, E. W. Beatty, chairman of the company, at the annual meeting in Montreal last week, was able to report an improvement in steamship net earnings over 1932.

The directors of the Canadian Pacific Railway have never given any indication that they are desirous of selling their railway property to the Canadian government and in fact they have opposed public ownership of unified railway systems in Canada in season and out of season. One big publicly-owned railway system in Canada would be a political incubus quite too horrible to contemplate with equanimity yet there are a great many people in Canada who say that it is to just such an objective that the country is drifting at the present time. If such were to be the eventual "solution" of our railway problem, the Canadian Pacific Railway Company would still be one of the world's great travel systems. Its vessels ply the seven seas, or at least those portions of them that are extensively travelled for purpose of business or pleasure. Last year the C. P. R. carried 59 per cent of the traffic to and from the Canadian Atlantic ports. It is also a large factor on the Pacific although its vessels there had to meet the competition of United States vessels that are highly subsidized by the United States government.

The company's world cruises, and the shorter cruises, have grown in popularity and have helped to keep the vessels busy during off season. In 1933, nearly 30,000 tourists were carried on cruises in addition to independent round-the-world tour traffic. The C. P. R. is today one of the world's leading cruise companies.

All of the unsatisfactory competitive conditions which have injured British shipping in the post-war years, affect materially the position of the C. P. R. There is at least a 75 per cent increase above pre-war figures in ocean carrying power although the volume of world trade available for cargoes is 10 per cent less than in 1913. Most of the larger countries are subsidizing vessels under their own flags. Economic nationalism and the world depression have combined to reduce traffic both of tourist and of cargoes. Against all these conditions, the C. P. R. has struggled. Its Duchess boats were a challenge for supremacy of the Canadian Atlantic trade and the Empress of Britain was a larger gesture, which the company does not regret and which it considers has adequately proved itself. Probably the Empress of Britain will never come fully into its own until it has at least one sister ship providing for weekly service in both directions between Canada and Britain. This undoubtedly will come on the full tide of recovery.

ANOTHER WHEAT MARKET GONE WEST

IT WOULD have been interesting had John I. McFarland, Canada's largest holder of wheat, paid a visit to Switzerland while he was in Europe attending the Rome wheat parley.

For Switzerland is one of the best per capita wheat markets in the world and since the war has purchased close to 10,000,000 bushels of Canadian wheat annually. Now she is restricting these purchases and for the second half of 1934 Canada will only supply 15 per cent of her requirements against 47 per cent in 1933; 52 per cent in 1932. "It is not improbable therefore," says J. C. MacGillivray, Canadian Trade Commissioner at Rotterdam, "that Canadian grain exporters will have to face the possibility of losing a market for as much as 175,000 metric tons or 6,431,250 bushels of wheat."

The reason? Largely because Switzerland has "found it necessary to restrict imports from countries such as Canada and the United States, with which there is a heavy unfavorable trade balance and divert it to other cereal-producing states with whom compensating agreements can be made." Russia for instance, is selling wheat to Switzerland on a barter basis and has jumped her sales tremendously.

Why shouldn't Canada do the same?

According to Canadian trade statistics, Switzerland has a heavy "favorable" balance of trade with Canada although the value of trade between the two countries has declined very materially in the past five years. If this is true then Canada should be in an even better position to bargain for increased wheat sales in Switzerland than is suggested by Mr. MacGillivray's statement.

At any rate, if as much government energy were to be expended by Canada in aggressively merchandising our wheat in world markets, as is being spent on tying world producers and consumers still further into knots by restrictive agreements, it is not improbable that within a year Canada's wheat surplus would be largely a thing of the past.

WHOSE ADVICE WAS TAKEN?

THE new tax on gold is a fairer tax than the one originally announced by Mr. Rhodes in his budget speech. From the time that the price of gold began to rise above the statutory level, and gold producing companies began to show enormously increased profits, it was apparent that they would become logical targets for the tax collection activities of a government hard pressed for revenue. Undoubtedly, the tax would have been imposed earlier had the Minister of Finance felt he could devise a tax that could have brought in the revenue without imposing upon a growing industry burdens which would seriously impede its development. The country needed gold. Government control of the sale of that metal provided us with a substitute for an exchange stabilization fund. In fact, had there been no premium on gold, the country might have seriously considered subsidizing rather than taxing gold production.

When the new gold tax was at first announced, it gave no consideration whatsoever to the numerous drawbacks inherent in such a tax and made no attempt to safeguard the mining industry from the more repressive influences of a tax wrongly imposed. The form of the tax bore all the earmarks of a last minute decision made by those who were completely ignorant of the position or importance of gold mining in Canada.

It would be interesting to know who devised the tax in its original form. Certainly, it was not the Hon. Wesley Gordon, Minister of Mines. It is hard to believe that it was W. C. Clark, the Deputy Minister of Finance, and The Financial Post has learned on good authority that Mr. Eaton, the new tax expert of the Department of Finance, was not consulted. Mr. Eaton was brought back from Harvard University to study the incidence of proposed and present taxation. The government, in appointing him, it seems, was desirous of avoiding what has happened so frequently in the past; namely, the imposition of a new tax which had not been properly thought out. On several occasions, the present government has been forced to change the character of new taxes because some half-baked idea had been incorporated in the budget. Taxes were imposed, and studied afterward when protests began to pour in. What is the use of having tax experts and financial experts in the treasury if they are to be ignored? What is the use of having a Department of Mines if its experts are to be ignored?

Ministers of Finance always try to work in the dark in order that no one may be able to repeat any monetary advantage from advance information on what the budget is likely to contain. But if this policy has the effect of preventing the Ministers from getting the advice of interested people, the secrecy is not worth the price. For it would be far better to have a leak in connection with the tax than to have a tax announced that upsets business and stock markets and then finally has to be entirely rewritten.

ON THE RIGHT TRACK IN COMPANY LAW

WHATEVER controversy there may be on individual points, the new Dominion Companies Act is on the right track. It adopts from the English Companies Act all the important clauses which demand complete disclosure of essential facts in connection with the offering of securities and the preparation of annual financial statements for the information of shareholders.

The new law says in effect to responsible executives, directors, underwriters, promoters and experts, "Tell the truth." If the truth is told in prospectuses and in financial statements and those concerned observe all the provisions laid down in the act to make sure the truth is available, then the law does not attempt — and should not attempt — to go further to protect fools against their folly, speculators against their own over-optimism and investors against over-hasty investing.

All that the law requires is that the public should have the means before them of deciding on the actual facts. It lays the onus on those selling the securities to see that these are given potential buyers in a prospectus. The position of investors will be greatly improved by such a law, particularly if the provinces take early steps to accomplish the same ends. Considerable progress has been made all over the Dominion in recent years in understanding of the legislative problems of protecting the investor; it should not now be difficult for the various authorities to draw closer and closer together in their laws so that the crooked and the secretive cannot escape adequate supervision by playing one jurisdiction against another.

One good Companies Act in a Dominion where there are ten competing jurisdictions will not accomplish much. It simply turns the incorporation business of the Dominion over to the provinces where laws are loosest, at least in all cases where there is objection to giving all essential facts. The matter is not met adequately even if there are ten good company laws if these differ in wording, regulations and basic point of attack on the problems of company legislation.

The great need in Canada is simplification of company laws. Creditors and shareholders of Canadian companies would be greatly aided if company law was the same all over Canada. Uniformly worded company acts, after common discussion and agreement among the various authorities, would be one way of accomplishing this. There is a great deal to be said for those who advocate one Dominion Companies' Act agreed to by the provinces and possibly administered by each province in its own territory. A basis for distributing fees collected should not be impossible to arrive at.

To conclude, the new Dominion Companies' Act is a good act, much in advance of the old one and—competent authorities assure us—even in advance of the English Companies Act from which it has drawn so largely. But the real objective of those seeking reform at this time is to have this good law, or some good law, acceptable and effective all over the Dominion.

EDITORIAL NOTES

The middle classes always choose the middle of the road.

* * *

Japan, in the rôle of protector of China, sounds altogether too much like Uncle Sam protecting Nicaragua.

* * *

Officers of the National City Bank declare that $25,000 a year is not a living income. Clip this out and show it to your boss.

* * *

Writing down the C. N. R.'s debt might put the railway on a sound financial footing but it wouldn't do the same thing for the country.

* * *

Howard Thurston is retiring from the stage to devote his time to his mining interests in Northern Ontario. He may find it harder to extract gold from rocks than rabbits from hats.

* * *

Montreal's aldermen should think twice before abolishing the city's May Day moving habit. When half the families in the city are busy moving they haven't time to take part in Red Labor demonstrations.

Post-Scripts

NO ONE fills up more pages of Hansard than does Jean François Pouliot, M.P. for Temiscouata. He speaks on every subject, he interrupts most of the other speakers, and he brings the government members to their feet in protest more often than any one else on the Liberal side.

Poor Pouliot is always in trouble with Mr. Speaker. He can not bridle his tongue. Time after time he has been raked over the coals for breaches of parliamentary decorum and etiquette but he never learns to be good. The other day the speaker had to reproach him for using language so disgusting that he balked at repeating it and ordered it cut out of the official record of debates. All this happened in one short speech during which the honorable member was the pivot of a number of interchanges with other members. Three samples, somewhat abbreviated, are appended:

Mr. POULIOT: It is pretty hard for the hon. member to speak on behalf of the Province of Quebec when he is associated in the House of Commons with members of the Ku Klux Klan.

Mr. GOBEIL: Mr. Speaker, on a question of privilege, I object.

Mr. SPEAKER: I think it was hardly a fair remark to make.

* * *

Mr. POULIOT: Have we a government of statesmen? No, sir. Are they politicians? No, sir. They are just schemers, because the bill that has just been introduced is just a scheme . . . The hon. member for Compton will find it just as good as the wild strawberry jam which his brother sells to the Canadian National Railways in such quantities.

Mr. GOBEIL: That is pretty small.

Mr. POULIOT: No, but it is a small jar.

Mr. GOBEIL: On a point of order, Mr. Speaker, I object . . . I do not feel belittled at all because one of my brothers takes advantage of the fruit which Providence has put at the disposal of the citizens of our province. I feel very much less belittled—in fact not belittled at all—to see one of my brothers in that business than if one of them were in Mexico in jail.

Mr. POULIOT: . . . I have no relations in jail in Mexico . . .

Mr. GOBEIL: I never said such a thing . . .

THE ACTING SPEAKER (Mr. Stirling): I suggest to the hon. gentlemen that they leave their mutual relations alone and speak to the bill.

* * *

Mr. POULIOT: . . . Even against the hon. member for Inverness I have defended the rights of the small wage earners of Cape Breton . . .

Mr. MACDOUGALL: . . . Without hesitation I say that is an absolute falsehood . . . I ask you, Mr. Speaker, to direct the hon. gentleman to withdraw . . .

Mr. POULIOT: Well, sir, if I am to withdraw, the hon. member must withdraw the word "falsehood" which is not parliamentary.

Mr. MACDOUGALL: You withdraw; if you do not I will go over there and you will do it quickly.

Sayings of the Week

"Queens are generally guided by wise men and kings by foolish women."—*Dean Inge.*

* * *

"Men live more by the imagination than by the body or the senses."—*Guglielmo Ferrero.*

* * *

"Man is the only animal that has to get an artificial jolt to enjoy himself."—*Irvin Cobb.*

* * *

"I am done with leadership. It is a worrying and unsatisfying business."—*David Lloyd George.*

* * *

"All of the fundamental evils from which we are now suffering cannot be corrected at one time."—*Fiorello LaGuardia.*

* * *

"Public opinion holds the world in its hand. It can compel governments to do its bidding."—*Nicholas Murray Butler.*

* * *

"We are all very apt to favor the panaceas which will cure all our troubles in thirty days. We are lazy."—*President Roosevelt.*

* * *

"The Antarctic winter night is a period of tranquillity of a sort you will never achieve in civilization."—*Admiral Byrd.*

* * *

"To a large extent the quality of motion picture production is dependent upon public taste and appreciation."—*Will H. Hays.*

* * *

"Whoever wishes to increase human happiness must wish to increase admiration and to diminish envy."—*Bertrand Russell.*

* * *

"The old man of today was himself yesterday, with but trivial modifications, the youth by whom he is now shocked."—*Havelock Ellis.*

* * *

"If an employer is as the trunk to a tree, then his employees are that tree's branches—and what is a tree without its branches?"—*Sir Henry Deterding.*

* * *

"If there ever was a golden age in American agriculture, it was the first two decades of the 20th century."—*Robert B. Warren, in Lloyds Bank Review.*

* * *

"I have never had any feeling about the working classes except a desire to abolish them and replace them by sensible people."—*George Bernard Shaw.*

* * *

"I think Canada will be the first nation of the world. Canada has a generation that knows the Bible."—*Dr. Frank N. D. Buchman, founder of the Oxford Group Movement.*

Modification Expected In U. S. Securities Law

Accumulated Demand for $4,500,000,000 New Investment Capital Estimated as Held Up by Burdens and Expenses of 1933 Act

By DR. GAINES T. CARTINHOUR
School of Commerce, Accounts and Finance, New York University

NEW YORK.—Developments in Washington indicate there are immediate prospects of something being done to modify the United States Securities Act of 1933 in order to stimulate the flow of capital and promote re-employment. Amending bills are before both branches of Congress and President Roosevelt is reported to favor easement of all oppressive sections of the law during the present session of Congress. Persistent criticism even from without the security dealer ranks is levelled at the measure as a hindrance rather than a help to recovery.

Several weeks ago two impartial bodies issued significant statements. The Chamber of Commerce of the United States urged the necessity of modifying the drastic provisions of the law if the legitimate large-scale flow of capital into industry is not to be obstructed, and the American Bar Association stated that it opposed the measure and favors amendments because it rides roughshod over legal principles which have long been established in American law. Securities amounting to nearly $1,000,000,000 mature during 1934 and unless they are refunded deflation will result because of the withdrawal of these funds from industry. The Administration must restore normal credit conditions not only for necessary refunding purposes but also for new capital investment.

Affects Canadians

Canadians are interested in this law because of Canadian investment bankers who sell securities in the United States and Canadian investors who buy new American issues. Several Canadian bond houses have branches in New York and nearly all Canadian financial organizations transact business in the American market from time to time. Liabilities imposed by the law can be enforced against the Canadian dealer by a purchaser living in the United States, since all Canadian securities offered for sale in the United States are subject to its provisions.

A comparison of issues during the first seven months of 1933 and the last five months of the same year, when the Securities Act was in effect, shows flotation of issues amounting to $67,000,000 under the act, as compared to $314,000,000 before the bill became law. Non-corporate securities, mainly State and municipal, which do not come under the requirements of the law, for the similar periods were $363,000,000 for the first seven months and $309,000,000 for the last five months. Of course, the monetary uncertainty and heavy volume of Government financing should be included as factors causing the sharp contraction in capital flotations.

I am a firm believer in providing every protection for the investor, but the purposes of the act should be accomplished without stifling the initiative of borrowers and distributors. The Government does not plan to go on indefinitely infusing life into trade by public and civil works expenditures. But such paternal assistance can be stopped with safety only when there is a free flow of capital into industry. The Administration now is reported to be ready to make it possible for the private capital market to take over the job of financing recovery. While the law has many commendable features and should in certain directions even be strengthened, there was little thought given to the practical side when it was drawn up.

Speculative Issues Passed Test

The outstanding failure of the act to date has been that practically all financing under its provisions has been of the promotional or speculative type, such as mining, oils, breweries and investment trusts as well as others with no past experience and no material facts to present or conceal. Security dealers must be restrained from the sins of the past but they must not be made responsible for acts beyond their control.

The interdepartmental committee, headed by John Dickinson, assistant secretary of commerce, recommended in its report to the President on this problem that the liability of issuers of securities should more nearly accord with that in the British Securities Act. On its face this would appear to be a good omen, since the report of this same committee on stock exchange regulation was an unusually realistic document. Points about which the recommendations revolve include the number who may be sued for damages and the extent to which damages may be recovered. In the British Act, liability is limited to the originating house or individual preparing the prospectus, thus restricting liability to those who normally would have an opportunity to investigate, while under the American Act every underwriter is liable for the whole issue, though he may have sold but a few securities.

In certain respects the law needs to be strengthened, in addition to those points mentioned in a previous article on the Securities Act in The Financial Post. The measure requires that the whole truth be told about a security at the time it is issued but makes no provision to protect investors against developments after the security has been issued. When the securities are originally sold, everything may be quite satisfactory but as time goes on much of an undesirable nature may develop.

There is also no protection against the misleading statements of the high pressure security salesmen. All the information about the security must be filed when it is brought out but very few could understand this material even if they attempted to go through it. Therefore, considerable dependence must be placed upon the statements of the salesmen. There should be some control over this group, even to the point of licensing them, as is required by most of the provincial governments in Canada.

It would also be preferable to centralize administrative authority in a single governmental agency which would devote all of its time to the problem of new as well as old securities. At the present time, the Federal Trade Commission—an already overworked body—has on its hands the task of administering the Securities Act and there is a provision in the proposed Stock Exchange Regulatory Bill which would add enforcement of this measure to the work of the Trade Commission.

The period of liability, which under the act may be extended to ten years, should be brought within limits which have a fair relationship to the influence of the registration statement and prospectus. The word "underwriter" should also be defined more carefully. At present it seems to include fiscal agents and depositaries, but may also include investment houses and banks. The liability of sub-underwriters should be limited in accordance with reason, and a country dealer who handles $50,000 of a $3,000,000 issue should not be liable for the entire three million.

Accumulated Demand

Furthermore, as the law now stands, it is practically a complete bar to any issue of securities of foreign corporations. The registration statement must be simplified to relieve issuers and others of the burdens and expense now imposed on them and at the same time offer a statement which the average person can understand. Liabilities should also be modified so that damages provided for in one of the most important provisions are limited to those caused by an untrue statement or omission, and so that omissions from which liability may arise are limited.

Due to the cessation of private financing, the National Industrial Conference Board estimates the accumulated demand for new investment capital at $4,500,000,000. In comparison with new capital and refunding issues of domestic corporations of about $9,000,000,000 in 1929, the total actually used for the extension of industrial and commercial enterprise in all fields of activity, other than liquor and allied industries, during 1933 was only $80,000,000. While the former figure was excessive, the latter was entirely inadequate to meet necessary requirements and an outstanding cause of the depressed condition which has persisted in many of the durable goods industries. Of course, the Securities Act must be amended before this large available supply of investment capital will be tapped.

Most of the difficulties which the act now presents have arisen because, in spite of its complicated structure, it was jammed through the House and Senate without a roll call, and during a period of strong popular feeling against investment bankers and others connected with the sale of securities. It is a matter of great importance for corporate enterprise, particularly the heavy industries, that the law be amended before Congress adjourns.

In the Mail

Allotting Bank Stocks

The Editor, The Financial Post:

In connection with the allotment of the shares in the Bank of Canada, there is a point which has not been brought out in connection with the effect of this allotment on direction of the affairs of the bank.

Since demand for shares will be very heavy the number held by each individual will be small, possibly averaging not more than five shares. As the dividend is limited to $6 per share, those at a distance from Ottawa are unlikely for financial reasons to attend the annual meeting of shareholders. In view of this, there is the possibility that there may not be as much check on the directors and governor of the bank as would be the case if shareholders had a considerable amount of money at stake.

Another point worth emphasizing is that there perhaps should be a limit placed on the number of proxies that any individual may hold at any annual meeting. As no individual may hold more than 50 shares of stock in the bank it would seem logical that no individual should hold proxies covering more than 50 shares at the annual meeting.

A. C. MACKENZIE.

Toronto,

Socialist on Social Credit

Editor, The Financial Post:

It is rather amusing to note the furore that has attended the elaboration of Major Douglas's theory of "social credit" in Ottawa recently and the comments and letters you have published in that connection.

What Douglas has succeeded in doing is making a travesty of Karl Marx's theory of surplus value and producing the resultant burlesque with a straight face. Douglas, like most individuals who take two minutes off to think, has perceived that the purchasing power in a capitalist society is never equal to the amount of goods produced and has sought to provide a "respectable" answer to the problem. Hence the hilarity of all socialists.

Marx, in his analysis of Capital, showed that part of every dollar's worth of wealth produced is piled up under the guise of rent, interest and profit into more capital enterprise and so goes to maintain a fundamental disequilibrium in our economy which can never be remedied so long as we maintain this system of production.

Douglas observing the same phenomenon shies from making any such realist deduction. Although he can see that consuming power is inherently incapable of catching up with productive capacity he smugly turns aside, to escape social odium from suggesting that it is the capitalist system which must be changed and instead suggests that we retain this unbalanced form of economy but that we try to right it by issuing "social credit" periodically to catch up with the lopsided feature of capitalist production.

He will retain capitalism and make it workable through social credits. If the dollar is still to be split on a basis of so much for labor and so much for rent, interest and profit, where is the social credit money to come from?

Obviously it can only be printing press money and obviously the "Douglas theory" is simply a superficial gesture to maintain the confusion that exists in the minds of those who want a changed social order but don't know what to specify.

E. A. BEDER,
General Secretary,
Socialist Party of Canada,
(Ontario Section).

Toronto,
May, 5, 1934.

Other People's Views

A Pregnant Question

Nation's Business, Washington.—We overheard an exciting argument the other day. A Congressman was berating a meat packer for not passing on the hog processing tax to the consumer instead of forcing the hog raiser to pay it. The packer listened attentively, then enquired mildly if he might ask a question. And this was his question:

"Our company lost $5,000,000 last year. If we had charged one-fourth of a cent a pound more for our products than we did, we would have made $15,000,000 profit. My question is, why did we not do it?"

No Depression in Washington

The Sphere, Washington:—The depression must be somewhere else; it is certainly not in Washington. The city appears to be as gay and prosperous as in war times, with hotels and stores crowded, theatres playing to capacity audiences and restaurants finding it difficult to meet the demands made on them.

The Capitol is always the favored city, for, no matter what happens to business, the tax collectors still operate and the government pays its bills. Moreover, business men have to spend so much of their time in Washington, making codes and other things, that lots of money is flowing in which, in normal circumstances, would have been spent elsewhere.

Various state capitals are reported also to be in a comparatively happy condition. It all goes to show that government, just now, is far more prosperous than industry.

A Regimented Nation

Providence Journal. — The crisis that we now face lies in this circumstance: Those activities of government to direct, command and strictly regiment us on the one hand, and to protect us when our own effort failed on the other, were initiated to meet an exceptional emergency. We do not ask a child to use his own judgment in a hurricane. We do not ask him to depend upon his own strength to protect himself then. Neither do we act in such a foolish fashion in our public life in a time of dire emergency. But the emergency is now passing. And those activities of government fitted to the emergency are now revealing themselves as intended to permanently recast the form of our political life. Other nations have such a regimented form of political life.

Men are not expected to be self-reliant in Russia. Freedom is no virtue in Germany. The strength of Italy is the strength of the state, not the strength of men individually devoted, but the strength of men closely organized and regimented. America has never had that form of public life. America is unique among nations because it has not had it. And we are unique as individual types of American men and women because we have not had it. Some reformers think we should have it. But we cannot continue as the kind of men and women we are if we make this change in our political life, any more than a child taught self-reliance can be the same as a child brought up as a Little Lord Fauntleroy.

Major Douglas Fails

Calgary Herald. — Major Douglas, who moved throughout the Antipodes in a cloud of glory like a conquering hero, and whose utterances were accepted by many in Alberta as immune from criticism as the Gospels, did not fare so well before the federal banking committee in Ottawa. In fact at times he seemed unable satisfactorily to answer the keen questions asked him. He then became exceedingly vague in his replies.

"Stop Me If You Have Heard This One"

Dinner was over, the ladies had retired to the drawing-room, and the men over their coffee and cigars were talking of love. Suddenly the host exclaimed, "Well, gentlemen, I tell you this. I have kissed the South Sea Island maiden; I have kissed the dainty Japanese maiden; I have kissed the girls of England, of Spain, of France, and, yes, of America; but I tell you truthfully, to kiss my wife is best of all."

Then a young man across the table cried out excitedly, "By heaven, sir, you're right there!"

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The Week in Business

Prairie Business Better

INCREASING confidence in permanent business recovery is spreading throughout the Prairie Provinces, although farmers are still suffering from the small wheat yield and low prices of 1933. Retailers throughout the area report increased business over a year ago in almost all lines, hardware, dry goods and automobiles being the ones to show the greatest advances.

Automobile sales have doubled in the Edmonton area, according to a report from that city, this being equally true of new and used cars. In common with experience in other parts of Canada, the feature of the increased auto sales in Edmonton is the large proportion of cash sales which have been made, dealers report.

* * *

Business at 1931 Level

EVIDENCE continues to come to hand that the present level of business is only approximately 10 per cent below the average for 1926, as is indicated by The Financial Post monthly business index. The monthly commercial letter of the Canadian Bank of Commerce, for example, confirms this calculation, stating further that, in April, the general level of business activity rose to its highest point since the beginning of 1931.

Continuing, the letter states in part as follows:

"One of the most influential factors in this latest improvement was a further increase in the volume of construction contracts awarded, which was 50 per cent greater than in March of this year and one third above that of April, 1933. Preliminary reports indicate a further advance in the production of newsprint, lumber, automobiles and machinery, as well as the continuation of steel and textile mill operations on about the same satisfactory scale as in the preceding month.

"Furthermore, the improvement in Canadian industry has continued to spread over a wider field to include manufactures, such as merchandising equipment, for which there was formerly an exceptionally limited demand."

* * *

Watch Regional Preferences

CANADIAN business men trading with the United Kingdom are warned, in studying market requirements, not to confine their study to one specific area, as regional preferences are very real, particularly in foodstuffs. For example, flour that is acceptable in one area is quite unsuitable for another; a particular cure of bacon which might be much sought after in the Midlands would probably find only a slight demand in Yorkshire, and so forth.

Further, there are poor class, middle class and high class trades which are subjected to geographical or occupational influence. Imported meats, for example, which rely chiefly upon their cheapness for recommendation, sell in much larger quantities in industrial areas than in county towns. Even in respect to cattle feeds, where one might expect to find some unification of needs, shorts may sell well in England but find a cool reception in Scotland, while white middlings will be popular in one region of England and brown middlings in another.

* * *

Fruit Damage Overestimated

WINTER fears that the exceptionally cold weather would materially damage the soft fruit crop in the Niagara Peninsula are now proving to be partially unfounded, according to latest reports from that area. There will undoubtedly be some losses, it is stated, but the situation is not as black as appeared earlier in the year. Extent of the damage to peaches and grape vines will not be known until plants blossom, and even then there will be no assurance that pollination and fruit formation have not been affected.

The fact that the worst damage has taken place between Hamilton and Grimsby, an area not so essentially fruit-growing as the country from Grimsby to Niagara Falls, is encouraging. Individual farms and orchards will be hurt to different extents, but a reduction of around 50 per cent is expected in the worst sections and about 25 per cent over the whole area.

Business Briefs

Leather Footwear production in March amounted to 1,682,010 pairs, an increase over the preceding month of 357,962 pairs and an increase over March a year ago of 142,523 pairs.

Crude Petroleum imports amounted to 73,443,773 gallons in March as compared with 44,368,612 gallons in February and 49,336,328 gallons in March a year ago.

Car Loadings for the week ended April 28 amounted to 43,161 cars, a decrease of 1,344 cars from the previous week's total but 7,112 cars greater than in the corresponding week of 1933. The adjusted index number declined from 77.45 to 74.93; a year ago it stood at 62.59.

Business Conditions in Canada

MANY INDUSTRIES INCREASE STAFFS AS SPRING OPENS

Greater-Than-Usual Seasonal Gains in Textiles, Steel

No industrial group has contributed more to the steady expansion of employment throughout the Dominion during the past year than the textile industry. In recent months, however, this industry has been joined by the iron and steel group, the advance in which has been greatly accelerated by the heavy demand for automobiles, some expansion in sales of agricultural implements and domestic and foreign rail orders.

Component parts of the iron and steel group, such as the rolled and forged products and automobile industries have recorded important expansion in employment this spring. In addition, the rubber industry—due largely to the increase in automobile tire sales—has recorded advances in each month this year, according to an analysis made by The Financial Post of the seasonally adjusted index numbers of employment compiled by the Dominion Bureau of Statistics.

Retail Staffs Gain

As at April 1, 1934, employment in the above-named industries is shown to be considerably in advance of the total at the beginning of the previous month, after allowance is made for seasonal fluctuations, despite the fact that total employment at April 1 was slightly reduced. In addition, the leather products industry recorded expansion.

Among non-manufacturing industries, retail trade and logging made the best showing at April 1 while employment in hotels and restaurants was higher than could be expected from any seasonal advance.

Reduction in employment was most marked in the construction and maintenance group, railway construction and building showing the chief declines. Actually, the number employed in these groups was greater than at the beginning of the previous month but the usual seasonal increase was not in evidence. Larger than usual layoffs of snow-clearing staffs was chiefly responsible for the reduction in railway work.

Three Cities Higher

In only three cities of the eight for which individual statistics are compiled was employment greater at April 1 than March 1, after adjustment for seasonal tendencies.

Seasonally Adjusted Employment Indices

	Apr. 1 1934	Mar. 1 1934	Apr. 1 1933
Manufacturing	89.3	88.1	77.0
Leather and prod.	97.4	94.3	84.2
Pulp and paper	78.7	78.5	68.6
Rubber prod.	90.8	88.1	73.4
Textile prod.	106.5	104.7	89.3
Hosiery & knit goods	117.0	114.7	101.4
Iron and steel	72.0	68.3	59.2
Elec. apparatus	98.7	97.0	88.9
Rolled & forged prod.	85.5	81.1	42.6
Agric. implements	40.8	41.7	31.8
Automobiles	90.3	84.8	66.3
Logging	134.8	111.5	45.8
Construction & main.	143.0	152.5	81.6
Building	49.1	50.0	82.1
Highway	596.4	606.9	258.8
Railway	76.8	97.6	74.0
Hotels & restaurants	120.4	118.7	104.5
Trade	119.2	116.3	110.5
Retail	126.3	122.9	114.5
Wholesale	101.6	101.1	100.2

Commodity Prices

DROUGHT and windstorms over considerable areas of the United States and Canadian wheat belts resulted in a bullish movement at both Chicago and Winnipeg during the last week. Unseasonable heat in the U. S. A. central west and the southern portion of the two western prairie provinces has added further to the damage to newly sown crops, it is reported.

Buying demand from the Far East is stated to be the cause of a sharp upturn in cotton at the beginning of the current week. Other commodities were strong without any important changes in price, although rubber still tends to move higher.

	Latest week	Previous week	Same week last yr.
Cattle, cwt.	$6.75	$6.35	$5.75
Copper, lb.	.08½	.08½	.06¾
Cotton, lb.	.1120	.1115	.0860
Rubber, lb.	.1525	.1263	.0475
Sugar, raw, lb.	.0280	.0280	.0335
Silk, lb.	1.30	1.30	1.62½
Wheat (Man.) bu.	.66⅛	.65⅛	.64¼
Hides, lb.	.11	.11	.09
Coffee, lb.	.10⅜	.10½	.08¼

Weekly Indices

N. Y. Annalist	109.4	108.7	88.2
Fishers'	74.0	73.1	†63.6
N.Y. Journal of Comm.	74.9	74.6	58.5
Crumps (Brit.)	64.5	64.6	†62.4
U. S. Labor	73.5	73.8	61.5

†Average 1933.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.)			
Retail (Mar.)	80.2	79.1	77.8
W'sale (Apr.)	71.2	72.0	65.4
U.S. Labor (Mar.)	73.7	73.6	60.2
Gt. Brit. (Feb.)	71.1	70.7	66.8

Note: Indices all on base 1926 = 100, except N. Y. Annalist which is 1913 = 100. British index is Board of Trade converted to 1926 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York; silk—Japanese, 13-15. New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W. Pt. A. basis: hides—heavy native steers: coffee—Rio, No. 7. spot, New York.

Evidence of Increase In Purchasing Power Not Apparent to All

Some Retailers Have Yet to Record Higher Sales

BUT OTHERS BOOM

Clothing Lines Lead in Sharp Advance Over Level of Year Ago—Hardware Sales Higher

Many retail businesses have, as yet, failed to record any sales advances, despite definite evidence of greater employment, increased payrolls, larger farm incomes and other indications of increased purchasing power, it would appear from a study of retail sales indices compiled by The Dominion Bureau of Statistics and information obtained from individual retail merchants by The Financial Post.

On the other hand, many retailers, particularly in the clothing and allied lines, report definite increases in sales volume while the D. B. S. figures show substantial gains as compared with a year ago—a period now generally accepted as the nadir of twentieth century business—and the total index for March is 12 per cent higher than in 1933.

Clothing First Purchase

It would appear that the workers' extra dollars have gone to replenish depleted wardrobes and left little balance to finance purchases in the semi-capital-goods class, such as furniture radios, etc. Also, that housekeeping allowances have, so far, been only slightly increased and economy in drug store lines such as cosmetics, tonics, photographic apparatus, etc., is still being practised.

In addition to the obvious reason that four years of steadily declining business built up a greater replacement demand for clothing than any other single group of articles and that, therefore, the first surplus cash was used to meet this demand, there is another argument put forward for the marked increase in this type of retail trade.

It is pointed out that there are a great many workers throughout Canada, particularly in the fields of commerce and finance, for whom the business improvement has only meant a betterment of sentiment but who are now willing to spend money which they have been saving, or even dip into capital, in order to meet the return of prosperity decked in sartorial elegance.

Considering the groups for which the Dominion Bureau of Statistics compiles a sales index figure, it is seen that boots and shoes, clothing, dyers and cleaners and hardware show the greatest improvement in the first quarter of 1934 as compared with the same period a year ago. Every group actually shows some advance but those in drugs, furniture and groceries are so small that they might well be changed to losses if adjustment were made for increased prices. In drugs, for instance, the sales tax imposed last April would be almost sufficient to account for the increase in dollar volume.

In comparing the sales indices contained in the following table it should be noted that no adjustment has been made for seasonal trend, or price changes. Further the fact that in 1934 purchases for Easter wear and gifts would necessarily be made in March as compared with April in 1933 distorts the indices for boots and shoes, clothing, candy and dyeing and cleaning to some extent.

Indices of Value of Retail Sales
(1926 = 100)

	Feb. '34	Mar. '34	Mar. '33	% Incr. Mar.-Mar.
Boots & shoes	40.5	69.0	51.0	+35.3
Candy	59.6	91.8	55.9	+64.2
Clothing	52.7	87.4	68.1	+28.4
Drugs	68.2	82.0	76.9	+ 6.6
Dyers & cleaners	67.8	101.5	79.9	+27.0
Furniture	40.1	46.9	44.7	+ 4.9
Gen. & dept.	54.1	66.6	59.2	+12.5
Grocery & meat	71.7	83.1	78.6	+ 5.7
Hardware	49.8	71.0	58.6	+21.2
Music & radio	21.4	22.8	21.1	+ 3.2
Restaurants	49.5	58.5	57.2	+ 2.2
General	58.6	73.4	65.6	+11.9

Indices Incomplete

As the data used in the compilation of the above indices is obtained solely from department and chain stores throughout Canada, decisions based on this evidence are not necessarily absolutely accurate. The indices however, undoubtedly provide a general idea of the trend in retail purchasing.

One important trend indicated by the D. B. S. indices, and confirmed by retailers throughout the country, is the increase in hardware sales. Not only have city dwellers increased their purchases of paint, garden tools and small hardware, but urban farmers have been bigger buyers of the heavier hardware lines than at any time in the last two years.

Clothing stores, in both the ladies' and gentlemen's trade, also verify the findings of the indices. Spring and early summer business is reported, almost without exception, to be greatly in excess of 1933 and in many cases of 1932. Increases range from 10 to 40 per cent in different lines with prices much the same as in 1933. The price trend is now definitely upward, however.

An average price increase of around 10 per cent accounts for some of the gain in the value of shoe sales, but retailers state that demand has certainly improved and volume is heavier than a year ago. This is borne out by the volume figures for shoes manufactured, which are also published by the Dominion Bureau of Statistics. One retail store, carrying grades ranging from $6 to $12, also reported that percentage increases were heavier in the more expensive lines.

In view of the continuing low cleaning prices and increasing cut-rate competition, the showing made by the cleaning and dyeing establishments, as shown by the D. B. S. report certainly indicates a good increase in volume. The early Easter date must be remembered, however.

To increased prices can be attributed the bulk of the 7 per cent improvement in sales of grocery chains as between March, 1934, and the same month of the previous year. Sales of two prominent individual chains actually show a slightly greater increase over 1933 during the first quarter of 1934, as follows:

	1934	1933	% Incr.
Stop & Shop:			
To April 21	$2,123,662	$1,934,334	+ 9.8
Loblaws:			
To Mar. 10	3,730,499	3,329,111	+12.1

Drug Business Slow

One independent druggist told The Financial Post that he felt that the drug and sundry departments of the large department stores had accounted for losses in his business over a period of years and if purchasing power had increased, as statistics would seem to prove, then the department stores were retaining the business they had taken during the depression. He felt that the chain drug stores, although they were able to cut prices of many items below the independent, had also suffered from department store competition.

Apparent unwillingness of the consumer to contract for time-payment purchases, as noted in a recent issue of The Financial Post with regard to automobiles, has affected the music and radio business. In the radio business, replacement demand provides the largest outlet and the public is apparently satisfied to persist with the old radio until more surplus money is available, a department store radio salesman stated. The extremely low level of the index is accounted for, not only by the reduction in volume, but by generally reduced prices of well over 100 per cent during the past four years. Price trends during the past twelve months have been slightly upward, however.

People Eating Less

Restaurant business has not shown any marked improvement over the past year, price increases probably accounting for the slight gain shown by the index. It appears to be generally accepted by maîtres d'hôtel that the public has formed the habit of eating more sparingly and at the smallest cost. The improvement in purchasing power which has taken place has not been sufficient to break this habit, it is thought.

Department store figures, as shown by the D. B. S. index, have increased over 12 per cent. The Financial Post is informed that the increase in the mail order division has shown a much greater percentage increase than store sales. The experience of mail order houses in the United States, where increases of from 50 to 80 per cent in sales have been common, has been duplicated to a lesser degree in Canada.

Predict Shortage Of Skilled Labor

Possibility of a shortage of skilled labor in the near future is envisioned by the Vancouver Board of Trade for that city due to the marked expansion in industrial operations during the last year.

It is pointed out that there is an actual shortage of skilled labor in Britain in the engineering, furniture, woollen, heavy iron molding, tool making and automobile industries. Main factors responsible for this condition are stated to be:

1. Disappearance of specialized employees during the depression who took the first offer of employment.
2. Failure of many firms to maintain a nucleus of apprentice labor in industries for which at least three years training is needed.

WHOLESALE PRICES SLIGHTLY LOWER

Grains and Animal Products Declined in April — Chemicals Gain

Wholesale prices moved down slightly in April, on the average, a fairly general trend at this time of the year. The Dominion Bureau of Statistics' index number of all wholesale prices fell from 72.0 to 71.2 in April, 65 quotations being higher, 135 lower and 367 unchanged.

Both the animal and vegetable group declined, seasonally lower butter, egg and hog prices affecting the former and lower grain quotations the latter. The chemical group made the only gain, on higher quotations for prepared paints, copper sulphate and zinc oxide.

Price indices of leading groups follow:

Indices of Wholesale Prices
(1926 = 100)

	April 1934	March 1934	April 1933
Veg. products	64.7	65.7	56.8
Animal prod.	67.0	69.9	59.6
Fibres & textiles	73.8	74.2	67.3
Wood & products	65.6	65.7	62.8
Iron & products	87.2	87.2	85.0
Non-ferrous metals	65.7	66.1	60.5
Non-metallic minerals	85.6	86.1	84.0
Chemicals	81.8	80.8	82.4
General	71.2	72.0	65.9

Canadian Business Indicators

Compiled by The Financial Post

▲Denotes new figures this week.

	Weekly—Latest—1934	1933	Cumulative Total—Jan. 1 to date—1934	1933
Transportation—				
Car loadings (April 28)	▲43,161	36,049	699,746	563,510
C.P.R. gross earn. (Apr. 30)	$ ▲2,731,000	$ 2,486,000	$ 36,747,000	$ 31,498,000
C.N.R. gross earn. (Apr. 30)	$ ▲4,098,601	$ 3,550,338	$ 50,813,444	$ 41,688,433
Business Conditions—				
Weekly index D.B.S. (Apr. 28)	▲95.1	80.0	......	......
Failures, No. (Apr. 28)	▲19	26	375	650
	Monthly			
Business Conditions—				
Financial Post index (Mar.)	91.0	69.9	......	......
Transportation—				
C.P.R. net earnings (Mar.)	$ 1,518,929	$ 877,495	$ 3,226,439	$ 1,297,479
C.N.R. net revenue (Mar.)	$ 1,598,959	$ ‡255,307	$ ‡65,003	$ ‡4,023,243
Iron and Steel (March)—				
Pig iron production (tons)	12,101	......	54,977	35,353
Steel ingot prod., (tons)	72,923	11,212	191,709	64,352
Automobiles (Number) March data—				
Passenger Car: Sales*	4,319	2,730	7,252	5,419
Factory output	12,272	5,927	24,319	11,873
Trucks and Buses: Sales*	560	271	1,089	654
Factory output	1,908	705	5,336	1,415
Exports (Mar.)	3,905	1,554	10,999	2,050
Construction—				
Building permits (Mar.)	1,089,481	934,555	2,663,595	3,016,339
Contracts awarded (Apr.)	$ 11,469,200	8,608,700	31,324,700	8,312,000
Newsprint (tons)—				
Production (Mar.)	210,129	137,078	572,950	403,534
Exports (Mar.)	239,442	138,005	559,181	373,230
Sugar (lbs.), (Feb.)—				
Imports	19,922,700	11,998,200	30,674,500	20,620,100
Melting & shipments	22,484,009	57,890,777	59,174,832	95,698,813
Manufactured	21,360,155	55,432,178	63,862,260	103,082,420
Flour (bbls.)—				
Production (Mar.)	▲1,064,428	1,004,787	3,208,976	2,708,793
Wheat flour exports (Mar.)	493,327	490,270	1,270,201	1,220,688
Trade (March)—				
Imports	47,521,158	32,935,623	113,504,466	80,890,870
Exports	58,346,445	37,161,048	142,840,865	95,120,389
Wheat exports	10,103,240	14,815,706	23,704,237	40,444,843
Employment (Apr. 1) D.B.S. Index—				
All industries	91.3	76.0	......	......
Manufacturing	88.1	76.0	......	......
Electric Power Output (March)—				
Total monthly (000's omitted)	1,795,616	1,371,060	5,136,857	4,067,301
Aver. daily	44,227,000	57,923,000	....	....
Other Industrial Indices—				
Lumbering: (March)—				
Plank & board exports	131,349	60,460	330,279	137,340
Boot & shoe prod. (Mar.)	▲1,682,010	1,539,487	4,036,725	3,661,661
Crude petrol. imports (Mar.)	73,555,000	49,336,328	175,526,586	121,977,197
Cotton imports (Mar.)	14,346,000	6,374,000	33,845,000	21,165,000
Raw rubber imports (Mar.)	▲7,640,000	2,496,000	15,647,298	7,790,427
Coal imports (Mar.)	714,902	497,908	1,689,447	1,439,386
Finance—				
Failures: (D.B.S. figures)—				
Number (Feb.)	▲140	214	298	420
Liabilities (Feb.)	$ ▲2,089,134	3,947,202	4,048,322	7,997,131
Bank debits †(Mar.)	$ 2,488,914	1,887,000	7,175,276	5,676,153
Bond sales (Mar.)	$ 14,061,044	985,728	58,261,698	21,387,338
Life insurance sales (Mar.)	$ 32,966,000	32,046,000	90,384,000	91,936,000
Automobile Financing—				
Used cars (March)	$ 915,486	854,917	1,870,567	2,083,380
New cars (March)	$ 1,214,051	919,287	2,201,345	1,908,201

†—000's omitted. *Eastern Canada sales only. ‡Deficit.

Windsor Hotel, of Sault, Earns Expenses and Taxes

Windsor Hotel of Sault Ste. Marie has been in default of interest on the 6½ per cent mortgage bonds, due 1950, since June 1, 1933. The property is stated at present to be earning operating expenses and taxes by a slim margin.

A bondholders' management committee has been formed and is understood to be in close touch with operation of the hotel. The committee is comprised of A. F. D. Lace, of the Confederation Life Association; J. W. Gemmell, vice-president, Algoma Steel Corp., and F. L. Whitaker, of the Dominion Life Assurance Co.

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AND

BARCLAYS BANK (CANADA)

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214 ST. JAMES STREET

TORONTO
60 KING STREET WEST

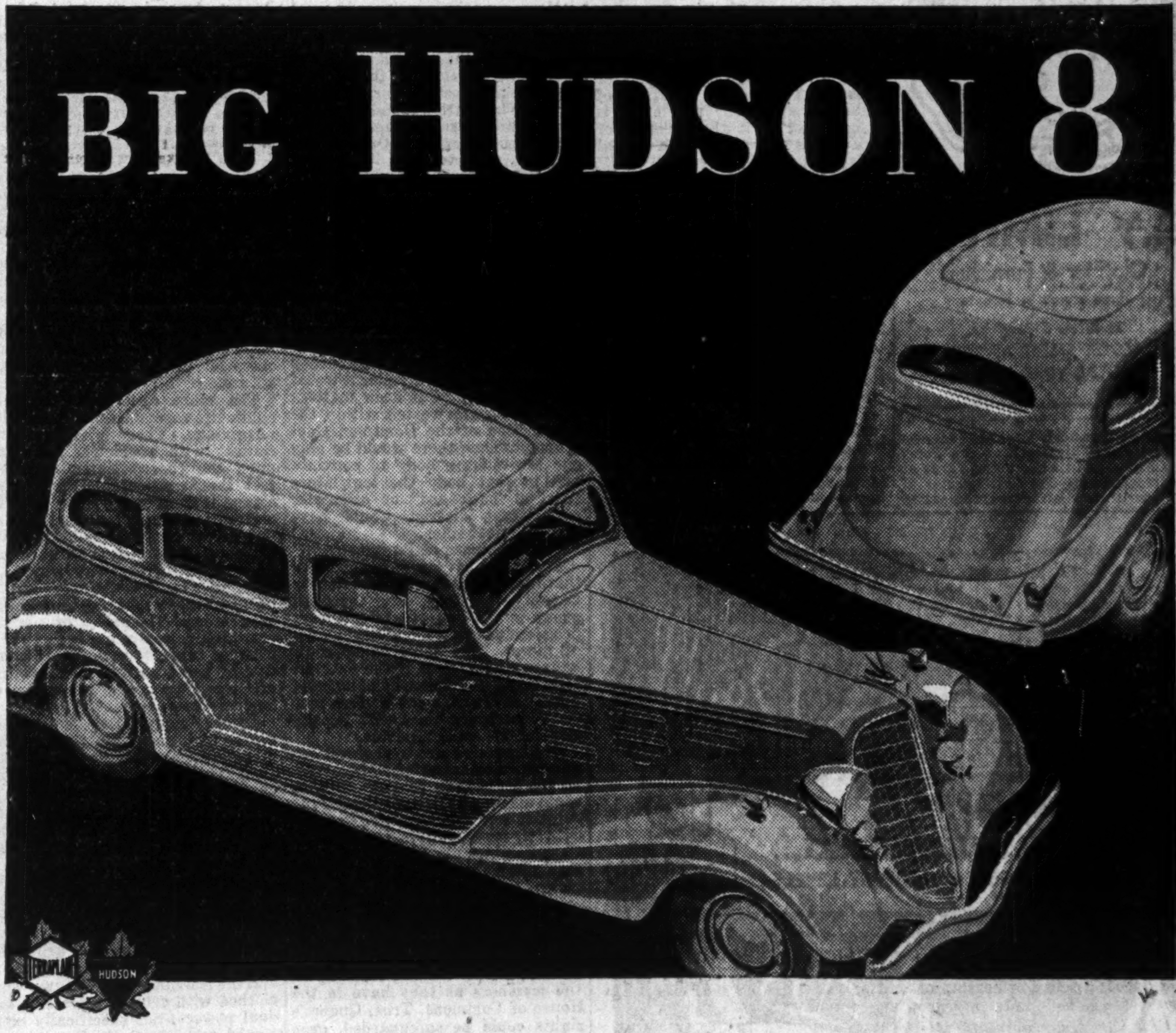
84

St. Benoit-Joseph-Labre Pays May 1, 1934, Interest

Village of St. Benoit-Joseph-Labre, Quebec, has been authorized by the Quebec Municipal Commission to pay coupons due on or prior to May 1, 1934, on bonds issued under by-law No. 2. Coupons should, therefore, be presented for payment.

The Quebec Municipal Commission advises that a number of coupons due January 1, May 1, November 1, 1933, and January 1, 1934, have been presented for payment although the necessary funds are available.

Command the Road
with the 1934



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When you know the startling performance facts about the Hudson 8, you're almost sure to guess the price hundreds of dollars too high.

At this amazing price of $1056, freight only extra, you get the Big Straight 8 that will outperform any other stock 8, regardless of price.

Sensational performance claims are easy to make on paper. Hudson performance claims are *proved—on the road!* In one year Hudson-built cars won more individual official C.A.A. and A.A.A. performance records than any car in history . . . 79 of them in all!

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New features? Scores of them. From year-'round ventilation to the baggage compartment in the rear. See for yourself. Above all—drive for yourself—the Big Straight 8 that commands the road! 18 models—116 and 123 inch wheelbases, 108 and 113 h.p. engines.

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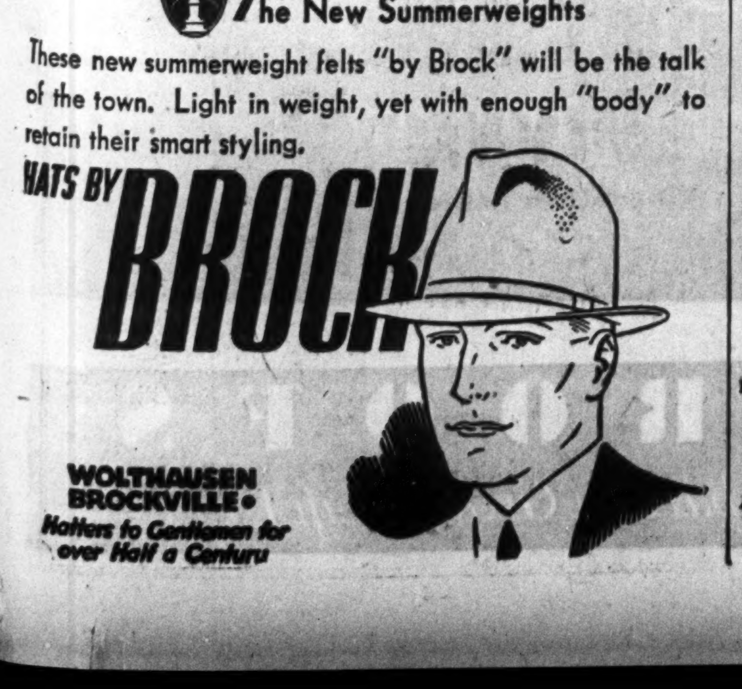
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Montreal Livestock Receipts Increase
Receipts of livestock at the Point St. Charles and the East End Yards of Montreal during the first quarter of the year showed an increase in cattle.

Codes for Canada: 6. Jurisdiction

Ottawa's Power on Industrial Codes and Labor Matters is Limited Unless B. N. A. Act is Amended

Canada's economic structure is not going to be reshaped by revolution. We haven't even a Kerensky, much less a Lenin or a Stalin for the job, though we have not a few amateur Marx's and would-be Trotsky's. Necessary reforms in our business and social habits are going to come in the future, as in the past, by gradual steps. But public sentiment for economic reformation has raced ahead pretty rapidly in recent years. There is evangelical fervor in the call for a new economic deal and almost a religious faith that any new deal will be a better one. It has been easy for governments to get popular support for many policies that would have been considered altogether too radical a few years ago. Many of them will in the long run prove dangerous. But governments could, under present conditions, get popular support for much more radical programmes than have yet been offered. That is why it is necessary to be so careful in framing programmes for industrial control. Governments are constantly being prodded into "doing something" as though mere action were progress.

Even with their intense love for personal freedom, Canadians are, in the main, putting up little resistance to the drift towards confused objectives of Socialism and Fascism, neither of which philosophies embraces Democracy as a tenet of faith. People are inclined to scoff at personal liberty; to argue that, in any event, there is no lack of liberty in a tyranny that is of our own making. So the demand for a planned economy, for laws and codes, for control and regimentation is rather insistent and widespread.

Our Constitutional Problem

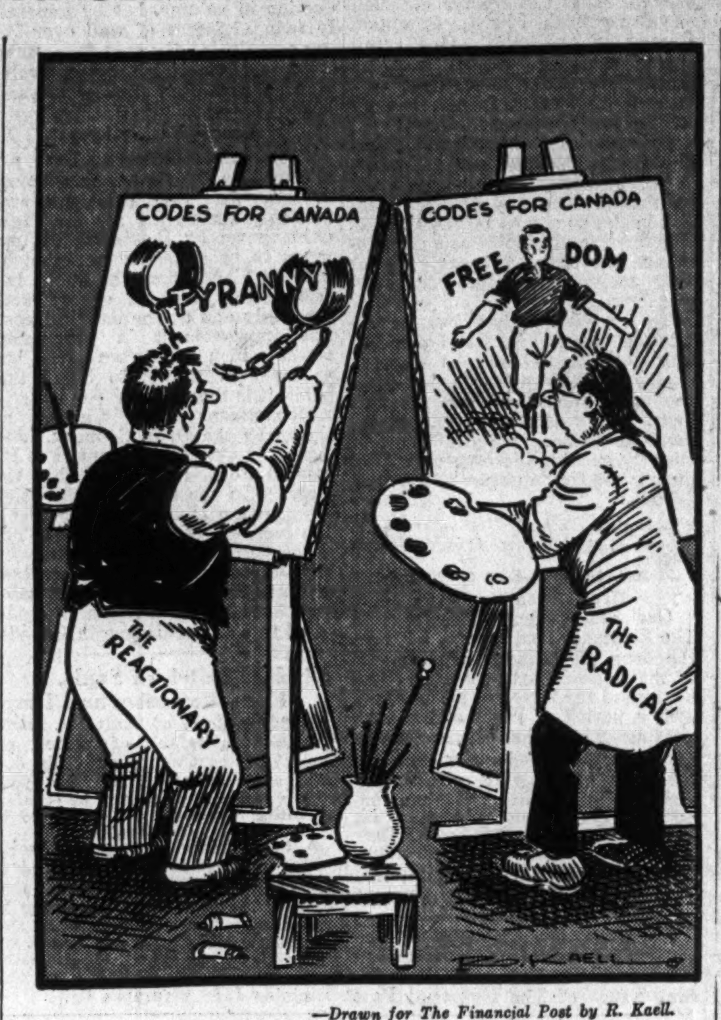
Some day the historian may count us lucky that our impetuous race to reform was slowed down by a constitutional weight. By the time we have cast off that weight our judgment as to the desirability of certain social and economic changes may have been sobered by calm reflection, or by sorting out the failures from the successes of New Deals in other lands.

In practically every step that the Dominion government may desire to take in rebuilding the economic or social structure of Canada it is going to be dogged at the heels by a constitutional problem. And constitutional problems have a habit of sticking; the $50,000 a year lawyers disagree on constitutional problems with the suave self-assurance of competitive alienists in a murder defence. Canada's constitutional problem is based on profound differences of expert and well-informed opinion and the only judge who can rule is compromise.

Ottawa does not know how far it can go in setting up Codes for Canada. The whole question of industrial and labor regulation is as confused as is the question of jurisdiction in regard to social legislation of other types.

Witnesses before the Stevens Enquiry have asked the Dominion government to pass a great many different types of laws that any ordinary lawyer knows Parliament has no authority to enforce. Mr. Stevens must have many objectives in mind that he cannot possibly attain unless he is able to get, on the one hand, one hundred per cent co-operation from the provinces, or a drastic revision of the British North America Act, Canada's constitution.

So a discussion of the relative jurisdiction of the Dominion and of the provinces and of the proposals for amendment of our constitution is in order. It may prove to be the key problem in regard to industrial and labor codes; it is certainly the key problem in regard to any advance toward a planned economy for this nation.



—*Drawn for The Financial Post by R. Kaell.*

TWO EXTREME VIEWS OF CODES
And the truth, as usual, is somewhere in the middle.

Radicals Demand Reform

For a while, constitutional reform was an academic subject that the lawyers alone discussed. Then it was taken up by the Socialists and radicals. They found that matters like old age pensions, minimum wage laws, the eight-hour day, unemployment insurance and so on were complicated by the fact that the Dominion government didn't have the authority and the provinces didn't have the money to enable vast and far-reaching social reforms to be invoked in Canada.

Moreover, the provinces did not see eye to eye on social legislation. Some of them were more "advanced" than others. This led to competition between them. The province that went in for cost-raising labor legislation found itself at a comparative disadvantage in gaining new industries. If Ontario, for instance, were to raise its factory legislation to too rigorous a standard, industries could evade the regulations by moving their plants to Quebec. To avoid competition between the provinces, industrial legislation must be fairly uniform. Yet uniform legislation of this type takes no account of differences in conditions.

The social reformers found it difficult to get nine different legislatures to give them what they wanted. How much simpler it would be, they thought, if such matters could be finally vested within the jurisdiction of the Dominion Government. Then there would be only one law-making body to convince and in that body the legislators from a "backward" or otherwise recalcitrant district would have only a limited voice.

Balance of Power

Possibly too they remembered that, on at least one occasion in Canadian history, the smallest group in the house (and it a very progressive group) held the balance of power. The same thing could happen again. And if the extreme reformists could get the balance of power in Parliament a few men could determine the social legislation for ten million people.

But there is more to the problem of constitutional reform than that. Social legislation is not all that could and would be expedited if the constitution were changed to give Ottawa greater powers. The French-Canadian people of Quebec are safeguarded in certain fundamental rights so long as the B.N.A. Act cannot be changed without the consent of the Quebec legislature, where the French-speaking Roman Catholic people have a majority instead of only a small minority of the members as they have in the House of Commons. True, Quebec's rights could be safeguarded, even in a revised B. N. A. Act but a conservative people are always willing to leave "well enough" alone.

Bennett Forecasts Change

So revision of the B.N.A. Act has become a bitter issue in Canada, an issue that demands and will repay the careful study of every good citizen.

That some revision is coming seems beyond question. Among the provinces a majority have shown, either by public statements of their premiers or by their incessant demands on the Dominion treasury, that they want Ottawa to assume certain additional burdens which means that it must be given additional powers. And Prime Minister Bennett burned his bridges behind him in the House of Commons this spring when he said:

"There is not a doubt in the world that unless there is a rearrangement of the powers of this Parliament and the legislatures of the provinces, in the very nature of things the problem (social legislation) cannot be dealt with.

"I hold a very strong opinion as to the necessity of an early revision of the provisions of the British North America Act .... The British North America Act represents a compromise, and compromises are always difficult to change without the consent of all those whose interests may be affected.... When we have accomplished that we will be enabled to embark upon those improvements in our legislation which the circumstances clearly necessitate.

"We have not yet approached the problem of an amendment of the British North America Act. That is in the offing, and I suppose that in the course of human events, and when an indulgent and grateful electorate have honored us with their support, we may be able to make such changes as may be necessary."

Can Not Be Dismissed

What is the constitutional issue as it touches our subject of Codes for Canada?

When a business man feels that legislation of a certain type is necessary he is apt to brush aside the constitutional phase of the problem as academic. His attitude is likely to be that as reform is urgently required, ways and means must be found of surmounting any obstacle of a purely legalistic nature.

The more experienced men in public life regard this attitude with misgivings. Those who had long contact with problems, trenching upon the constitutional question, feel that considerable time must elapse before the path can be cleared for Dominion legislation to put all phases of business under rigorous State control. There are many lions in the way which, to date, have escaped the more ardent gaze of those who advocate business reform. The anti-profiteering, anti-high prices campaign of 1919-20 were rendered completely abortive by the constitutional inability of Ottawa to invade the realm of business management.

Indeed, many of those who are urging reform, while they realize there is such a thing as a constitutional problem, are not aware of its character or its complexities.

Defining the Issue

Put simply, the constitutional problem may be defined in this way:

Complete sovereignty, in Canada, is divided between the Dominion and the provinces. Under the British North America Act, which created this Dominion, Parliament was clothed with certain powers and the provincial legislatures were clothed with certain powers. Residual powers, not specifically mentioned, reside with the Dominion.

The powers of the Dominion are set out in section 91 of the Act under twenty-nine headings; those of the provinces in section 92 under sixteen headings.

Education which is a provincial matter is dealt with separately in section 93.

Respective Authorities

Having regard to the regulation and control of business, the authority of the Dominion is drawn from: trade and commerce, the right to tax in any way, banking, currency, weights and measure, interest, bankruptcy and insolvency and criminal law. Apart from trade and commerce, these are rather insecure foundations upon which to build a Dominion industrial or business code system, although it may be pointed out that one ingenious model industrial code submitted to Ottawa was draped around a new form of tax which was to be the enforcement weapon.

The provincial jurisdiction includes: direct taxation, incorporation of companies with provincial objects, property and civil rights, local works and undertakings, other than steamships, railways, canals and telegraphs.

The provinces, it will be noted, are fully equipped with power to regulate industry. Alberta, British Columbia and Saskatchewan are now trying it. But they are not the leading industrial or commercial provinces.

Many Fierce Battles

Beginning in 1867, the Dominion and the provinces have fought a continuous battle to establish their respective areas of control over business. Insurance, water powers, aviation, marketing, industrial disputes, the Board of Commerce—all have been before the courts, with the Dominion and provincial governments seeking the verdict. In the main, the Privy Council has ruled that the regulation and control of business is the function of the provinces.

The provinces have gained some Pyrrhic victories. They have won new responsibilities without getting new revenue sources to finance the management of those responsibilities.

At the present session, for example, the Dominion is practically dismantling the Insurance Acts seeking to obtain a favorable verdict from the Privy Council. Thrice has the Dominion Insurance Law been declared unconstitutional. On the last occasion Federal authority was saved only by recourse to the emergency powers of the Unemployment Relief Act. This, of course, could only be a temporary expedient.

Control Rests With Provinces

It has been stated in recent weeks by law officers of the Crown at Ottawa that the Dominion, under the constitution, can do little more than incorporate a company. All control of it, after incorporation, passes to the provinces.

Moreover the courts and not the legislative bodies are the real custodians of the constitution and any citizen who dislikes a statute and believes it to be unconstitutional may appeal to the courts. It was a Chinese potato grower who toppled the grandiose British Columbia Marketing Act to ruins.

Yet the history of business control proves conclusively that the provinces do not all keep abreast in matters of reform. All reform is costly. No one disputes that the measures of regulation now advocated will increase the production cost of manufactured goods. Therefore, one province cannot advance ahead of its neighbor without placing its producers at a disadvantage. In the main, there has been little or no headway. The provinces have found it impossible to get together and adopt uniform measures. The recent drive for uniform company laws is a case in point. This drive has not conclusively got anywhere to date although seemingly supported by everyone of consequence in the country.

Possible Ways to Change

There are two ways in which a change in the present situation can be brought about. One is by amending the constitution (it is a British and not a Canadian statute), and by re-dividing the powers of government. This would entail taking jurisdiction away from the provinces and conferring it upon the Dominion.

The other way is a further use of the device of joining the powers of the Dominion and the provinces for specific purposes—thus making the sovereignty complete. But in the very nature of such a union there can be no permanency. Neither Parliament nor the legislatures can bind succeeding bodies of lawmakers. Any statute, whether enabling or otherwise, can be repealed. There is no such thing as a "final" statute.

Moreover it is difficult for either the provinces or the Dominion to give blanket power. One may enable the other to enforce a specific statute. But if the statute is wrong, if amendments are required, enabling legislation covering the amendments would also be necessary.

Enabling legislation to be successful must embrace all the major provinces, and there is no way of compelling either a province or the Dominion to co-operate.

Seek Constitutional Amendment

So there is today much emphasis upon the other method of procedure to amend the constitution itself. But this opens up a political question of far-reaching importance. In recent years the provinces have claimed the right, and have met with no real opposition at Ottawa, to veto any amendment to the B.N.A. Act proposed by the Dominion. That is, the provinces now contend they can only be reduced in constitutional statute by and with their own consent. The historic view is quite different. Judging from the past, the Dominion has the power to ask Westminster for whatever amendments are deemed necessary. It may be taken for granted, however, that no Federal government would willingly expose itself to a "provincial rights" issue, unless the urge was very strong.

The two views may be briefly put this way. One has it that the B.N.A. Act is a contract between the provinces and cannot be changed without their unanimous consent. The other has it that the B.N.A. Act is an arrangement, or treaty, between Canada and the Mother Country and that, as Canada is now a nation, must be changed by the British Parliament when Canada, through the Canadian Parliament, demands.

Statutory Mobility Lost

This is the constitutional question. Pending its solution, the tendency in reform or control legislation is to use enabling legislation in which the Dominion and the provinces join their powers. But this requires a raft of statutes, with constant amending and a heavy loss in what might be termed "statutory mobility." Enabling legislation has often been tried in the past. Where the purposes in view were simple and fixed, the results have been favorable. Where the purposes were complex and rapid changes in policies and methods were required, the results have been unfavorable.

After all, enabling legislation is a method of dealing with a problem jointly, by consent, and it must not be forgotten that whenever any of the major provinces become displeased with what is being done, they can promptly repeal their legislation and wreck the entire programme.

Where Does Ottawa Stand

Now what are the objectives embraced in the general heading of Codes for Canada and what is Ottawa's position in relation to each.

First, there is the concept of State control of competitive methods so as to establish higher standards of conduct for business, and brand as criminal as well as antisocial predatory or unfair competition.

If Ottawa decides that codes for business conduct, similar to the N.R.A. codes across the line, must have the imprimatur of a governmental agency or that there must be a master code for business embraced in legislation, then it will take an exceedingly dexterous lawyer to frame a bill that cannot be attacked in the courts. For precedents suggest that Ottawa's authority to rule the details of business practice is limited.

Provinces Rule Labor

Second, there is the concept of the control of wages, hours of labor and other working conditions to advance the position of the worker and safeguard him from exploitation. Here again the provinces hold sway and Ottawa, under the present constitutional position cannot legislate for the whole country, although it can use the potent weapons of propaganda and education.

Third, there is the concept of the control of production and prices and the rationing of markets. Ottawa's authority is not clearly marked. In drafting legislation to implement the International Wheat Agreement and in drawing up the Natural Products Marketing Act, Ottawa has admitted the limitations of its power, for the new legislation is to be effective only to the degree that the provinces are making it or will make it effective by legislation of their own.

Getting Around It

Fourth, there is the concept of social legislation in general, of which an example is unemployment insurance. And here again Ottawa's hands are tied. It has been able to meet certain unemployment and social problems arising out of the present economic crisis by giving the cabinet emergency powers, as it did in war time, but emergency powers must fade when the emergency passes and can never be more than a temporary expedient.

Ottawa was able to introduce old age pensions into a large part of the country by handing over a portion of its income to be spent by the provinces in accordance with general principles set down by the central government. Again the procedure adopted was merely one of expediency and it was ineffective in those provinces whose governments showed no disposition to join with the majority.

Fifth, there is the concept of controlling the growth of big business and the redistribution of wealth and economic advantage. Whoever was the first man to discover that taxation is often more effective than legislation in accomplishing certain ends solved this problem in large measure for the Dominion government. The Dominion government is able to use the income tax as an instrument of social control and, by surtaxes, has so used it. It is able to devise and impose numerous other taxes with similar or allied purposes.

Control of Companies

Sixth, there is the concept of control of business through control of incorporated companies. Ottawa charters companies. Each of the nine provinces charters companies. Ottawa's Companies Act should be the model for the provinces. The one now before the House of Commons bids fair to become that. But Ottawa cannot force the provinces to reform their own inadequate company legislation. And if one province lags behind the others it may become an incorporation farm, as Delaware now is in the United States.

There can be no doubt that many of the more predatory practices in business today are the product of loose financial methods. The State gives corporations their being and can and must insist that the powers granted to incorporated companies must not be used to the detriment of the community at large. It is not alone the investor who is interested; all classes in the community suffer from such evils as overcapitalization, abstraction of the shareholders' voting rights, misrepresentation in financial statements, etc.

Ottawa's Power Limited

Seventh, there is the concept of economic planning through such powerful instruments in the control of the government as the tariff, the banking and monetary system, expenditure of public funds on public works, regulation of transportation, etc. Here Ottawa's power is unchallenged.

But over the whole range of business there is a limit to what the Dominion government can do in social control of industry and in giving Canada a planned economy. No one can clearly demark that limit but in the near future it may be moved forward and more precisely fixed.

This concludes the series of articles on Codes for Canada, which have covered the highlights at least of the problem of industrial control in the community interest.

The articles have discussed some of the possibilities and some of the problems in devising a workable system of competition that will promote the initiative of individual business within the limits of what is in the interests of society at large.

"Codes for Canada" In Booklet Form

This series of six articles has attracted widespread attention, leading to requests from a number of readers for the articles in more permanent form.

The Financial Post is publishing the articles, comprising some 25,000 words, in an attractive booklet of 48 pages and cover.

The booklet is already on the press and will be available within a few days. If you want to obtain a copy send in your order now.

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War on Waste

Substitution of the voucher system for the depot system of direct relief is believed to have been exceedingly costly to Canadian municipalities and to provincial and Dominion Governments. Under the depot system, the relief recipient calls at a central distributing point for his groceries. By the voucher system, he buys from his own grocer after obtaining an authorized voucher from relief authorities.

The result of the change to the voucher plan appears to have been that many persons have been able to get on relief lists fraudulently. When an investigation was started recently in Toronto, hundreds suddenly ceased to call for their vouchers, apparently in fear of being caught accepting relief to which they were not entitled.

Many thousands of dollars are believed to have been wasted through the voucher system of relief. A return to the depot system in those centres that have abandoned it, would be at least a start toward reduction of the relief bill.

DOMINION TEXTILE PLACES DIVIDEND ON HIGHER BASIS

Rate Advanced from $4 to $5 Annually — Outlook Good

From Our Own Correspondent

MONTREAL.—Dominion Textile Co. has placed its common shares on a dividend basis of $5 annually, an increase of $1 a share over the old rate.

During the past year Dominion Textile experienced a substantial improvement in its operating and earning power position. The volume of sales handled by the company increased from approximately $11,000,000 to $17,000,000, while earnings on the common stock advanced substantially.

In the fiscal year 1933 the company earned only $1.80 share, against dividend payments of $4.75. For the past fiscal year, i.e., March 31, 1934, the company earned $5.65 a share, so that the new dividend rate is covered by an ample margin.

Starting Off Well

At the annual meeting of the shareholders, Sir Charles Gordon, president, stated that the company had just finished a good year and was starting off well in the current year. While he did not know how long the present volume of business would keep up, yet the outlook was more encouraging than at this time last year.

Apart from Sir Charles Gordon's remarks, the meeting was routine, the following being re-elected directors for the ensuing year: Sir Charles Gordon, Sir Herbert Holt, J. P. Black, W. A. Black, Sir Frederick Williams-Taylor, J. G. Dodd, and G. B. Gordon.

York St. Buildings Bonds Reduced to $207,700

York Street Buildings, operating the "Adelaide" Buildings, Toronto, had reduced the 6½ per cent first mortgage bonds outstanding to $207,700 early this year, it is understood. The bonds were originally outstanding in an amount of $265,000. The sinking fund is believed to hold bonds that would reduce the outstanding total below even the figure quoted.

The company operates two light manufacturing buildings, part of the land being under a 966 year lease. Rentals have been kept at a high level, it is understood, bond interest has been paid, and sinking fund, as indicated, is ahead of requirements.

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WHILE PRICES LINGER AT LOWEST LEVELS!

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Every Day!

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Every day of your Summer vacation at Banff or Lake Louise holds a new thrill. Play golf on mile-high fairways — ride out to greet the sun—climb to the top of the World—in this Canadian mountain paradise.

Live . . . . where tennis and hiking are at their very best—where trout take your fly — where motor highways cross the sunny trails and majestic mountains pierce the sky. Come to Banff or Lake Louise where true Canadian Pacific hospitality and comfort will make your stay, whether long or short, an event you will always remember.

LOW RATES CONTINUE FOR 1934!

Banff Springs Hotel, European Plan: Single $5.50 up, Double $8.50 up. Château Lake Louise, European Plan: Single $5.00 up, Double $8.00 up. Emerald Lake Chalet, American Plan: Single $7.00 per day, Double $6.50 per person per day. Reductions for stays of one week or more. Special rates for families.

ALL-EXPENSE TOURS

Beginning at Banff or Field 4, 5 and 6 days . . . $50 to $70 including lodging, meals and 126 miles of spectacular motoring. Stop-over rates for purchasers of these tours: Banff Springs Hotel—$9.00; Château Lake Louise—$8.00; Emerald Lake Chalet—$7.00 per day for room and meals.

Ask for information about the Trail Ride (July 27-30) and the Sky Line Trail Hike (August 3-6).

Banff Springs Hotel opens June 13, Château Lake Louise and Emerald Lake Chalet open June 22—Low Summer Round Trip Rail Fares (Return Limit October 31). Also special Short Limit Round Trip Fares.

Full information from any Canadian Pacific Agent.

CANADIAN PACIFIC

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Investment Trust Firms Had Weak Management

Lack of Knowledge of Tested Principles, Rather Than Dishonesty, Blamed for Ill Success

Poor management, due largely to lack of experience and unfamiliarity with basic principles, rather than to dishonest practice, has been one of the prime reasons for the unsatisfactory showing made by many Canadian investment trusts. The difference between profit and loss in the operation of the average trust can be largely explained on the basis of the character and capacity of those in charge. Without a capable management, an investment trust represents little more than a pooled sum of money lacking practically all possibilities of safe and profitable employment.

To successfully operate a trust, according to accepted British standards, it is necessary for the officers to have a full knowledge of foreign as well as domestic securities and to be thoroughly informed on international political and economic moves. They should also be men of unquestioned integrity and have a creditable record of practical investment experience. Under no circumstance should any officer of the trust have a personal interest in securities being purchased for the portfolio. Trust executives in Great Britain devote their lives to studying many of the complicated investment problems and have come to be regarded as highly-qualified specialists. Unfortunately we have not had the class of men in Canada such as are found operating British trusts and this factor must be given consideration in comparing the histories of the trust device in the two countries.

Canadian Inexperience

It must be admitted, however, that the rapid growth of trusts in Canada gave little opportunity for managers to become thoroughly acquainted with British practices. But sufficient evidence is at hand to indicate that the operators in this country felt that the old-established British methods had no place in the "new era" economics. The whole order of things was largely reversed to meet the immediate conditions prevailing at the time. The two main sources of income—interest and dividends—were placed second to capital profits, which is a direct reversal of operating practices which have proved their worth over a period of 60 years. The way in which this matter of capital appreciation has been emphasized in Canadian trust development indicates that the majority of so-called trusts in the Dominion have been little more than trading companies and speculative pools.

Diversification of risk, upon which the average trust is built, has been largely secured in Canada, by the investing of funds according to geographical location, type of security, and kind of industry. While there are numerous kinds of restrictions it has been a common practice not to invest five or 10 per cent of the trust fund in any one particular security or undertaking. The placement of not more than 50 per cent in legal investments for life insurance companies in Canada has been one of the features of the trusts in the Dominion and has helped somewhat in the building of a sounder portfolio.

Domestic Investment

Canadian investment trusts, unlike the British, have invested little or nothing in foreign securities. Lack of knowledge of the international markets and an inherent faith in the soundness of domestic securities has resulted in the portfolio holdings being largely made up of American and Canadian offerings. While this policy may appear to be beneficial to the local investment markets, it does not necessarily imply strength or real earning possibilities for the trust. It must also be remembered that purchase of popular market favorites for the portfolio had to be considered in the selling of trust securities in this country. The following chart shows the extent to which the average Canadian trust placed its funds in North American securities:

Geographical Distribution of Canadian Trust Holdings
(Six representative trusts)

Trust	Canada %	U.S. %	Fore'n %
Can. Gen. Investments..	87.1	8.4	4.5
Third Can. Gen. Inv. Trust	77.6	16.0	6.4
Can. International Inv. Trust	79.8	15.7	4.5
Can. Investors Corp. ...	45.9	48.8	5.2
Dom.-Scottish Invests. .	45.6	47.5	6.8
London-Canadian Invest. Corp.	44.5	23.8	31.7

Reason for U. S. Issues

One reason for the large number of American securities found in Canadian trust portfolios is explained by the fact that there exists in Canada a small number of corporate issues that can meet trust requirements. With no established bond market, and a listing of a few hundred stocks on Canadian markets, compared with approximately 7,000 on each of the New York and London Exchanges, it can be readily seen why Canadian trusts looked abroad for a large percentage of their holdings. Specialized statistical agencies, which supplied American trusts, often sold their service to like organizations in this country with the result that purchases by Canadian trusts were often influenced by this source of information.

While there has been very little outside buying by Canadian trusts in recent months, it was largely stopped in 1932 and 1933 by the heavy depreciation in the Canadian exchange rate. The dropping of the gold clause has also had an effect on trust purchases with the result that more attention is being given to domestic issues. The fear of stock market regulation in the United States plus the generally better comparative recovery made by Canadian business has resulted in more funds being placed in Dominion issues than ever before. The nationalistic spirit, so evident in trade affairs, has come into the investment field. While the practice of placing most of the trust fund in domestic issues may not coincide with time-tested principles it can be said that it proves to be a good selling feature.

Bonds vs. Stocks

British trusts have generally followed the method of placing the greater part of their resources in bonds and preferred stock. Canada, however, has specialized in common stocks, for long-term investments as related to trust holdings. This variation should not necessarily be condemned as it represents the difference between the two nations and is largely a reflection of their different underlying economic conditions. Many of the differences between the two systems are made clear when it is remembered that the investment bankers who sponsored many of the large Canadian trust issues, as retailers of securities rather than mythical high-minded financial servants of the community, manufactured the type of issue desired at the time and marketed them on the accepted basis of the period. Common stocks were the order of the day, both for trust issues and from the view of portfolio holdings, so it was a natural result to find junior securities in the first place among trust holdings as indicated by the following chart:

Types of Securities Held by Canadian Trusts

Trust	Bonds %	Pref. %	Com. %
Can. International Inv. Trust	45.7	17.3	36.0
United Bond & Share Corp.	55.5	19.1	25.4
London-Canadian Inv. Corp.	29.7	16.2	53.6
Can. Investment Fund	14.7	13.7	71.5
Can. Investors Corp.	16.7	16.6	65.8
Dom.-Scottish Invests.	16.5	21.2	62.1

Types of Sponsorship

Sponsorship of investment trusts by brokerage or banking firms has come to be considered as unsound. Because of the lack of independent specialists to form trusts in the Dominion, it was natural to have these companies organized by existing banking concerns. While the link-up is not necessarily unsound in itself, it has led to a number of thoroughly questionable practices, the most common of which is dumping. An investigation of trust operations in New York State in 1932 disclosed the fact that in four companies alone, with total investments of $279,744,689, no less than $203,059,470 worth had been dumped securities. While no official government figures have been published for Canada, it is believed that these practices have existed, and have caused damage to the investment trust movement in this country.

In Great Britain it has been the custom to indicate in the prospectus the number of shares given to the sponsors, if any, and the price paid for the same. This practice has never been followed to any extent in Canada and the payment to sponsors has remained one of the mysteries of Canadian investment trust financing. As the courts in the Dominion will not enquire into the adequacy of the consideration for a stock issue, unless the transaction is impeached, it has been quite simple for the promoter to make his gains with safety.

Payment of managers in British trusts has also been on a sounder basis than in Canada. It has been common to take the managers' compensation out of the charge for raising capital or out of the revenue of the company for ordinary management expenses. This fee is a sum usually equal to one half of one per cent and is roughly equivalent to five per cent of income on the portfolio. This method has been employed by a number of Canadian trusts but has not yet become a universal practice in this country. Special prices for shares and bonus stock played a large part in the remuneration for managerial services in some Canadian trusts and helped considerably to weaken their position. At the present time in the Dominion, however, it is quite common to find directors serving without payment as provisions have been drawn up making remuneration only possible after a stated sum has been earned on the company's shares.

Guinea-pig Directors

A selling feature extensively employed by investment trusts in Canada was to have a prominent statesman or financier represented in the list of officers or on the board of directors. Undue prominence was often given to this feature and resulted in many investors becoming convinced that with such an important public figure on the board the trust must possess exceptional merit. Events have since proved that many of these names represented figure-heads only rather than active officers.

Of the 60 investment trusts organized in the Dominion, 29 have been incorporated under Dominion charters, 18 in Quebec, 12 in Ontario, and one in British Columbia. Advantages of the sale of trust securities in extra-provincial territories, absence of double provincial succession taxes, more lenient provisions for prospectus information, and the advertising value of a Dominion charter have been the principal reasons for the large number of Ottawa incorporations. The investment trust in Canada has lacked any real assistance from legislative bodies in respect to the forming of sound regulatory measures. With the exception of Ontario, which is far in advance of any other provincial body or the Dominion, little has been done to develop sound incorporation and taxation measures for these specialized financial institutions.

Sales Campaigns

Because of their sponsorship by nationally known investment firms, it has been the practice to market trust issues from coast to coast. Heavy newspaper advertising, with skilful human interest copy, did much to make the organization known to Canadian investors. High pressure selling methods were used to a large extent and costs of distribution have been figured slightly higher than those for seasoned corporate issues.

Much criticism has been directed at Canadian trusts because of their lack of responsibility in maintaining a market for their securities. It has been claimed that they either refuse to make a bid or else name a very low figure. The over-the-counter is anything but active and there are only 10 or 12 Canadian trust issues quoted by unlisted dealers.

While practically all trust securities are listed on the London Stock Exchange, and the leading American issues are to be found on the New York board, only about four Canadian issues are to be found listed in Canada. Between 1928 and 1929 approximately eight trust issues were listed on the Canadian exchanges. Market activity in these securities has never reached any impressive figure and at the present time is practically non-existent. With no exchange trading and a disorganized and unsupported unlisted market, the holder of Canadian investment trust securities has had difficulty in disposing of his holdings. The record of Canadian investment trusts on the stock market is given in the following table:

STOCK MARKET RECORD CANADIAN INVESTMENT TRUSTS

Trust	Listed	1932 High	1932 Low	1931 High	1931 Low	1930 High	1930 Low	1929 High	1929 Low	1928 High	1928 Low
Can. Gen. Invts.	Mtl. Curb	†3¾	†3¾	no sales		75	75	115	95	not listed	
Can. Pwr. & Pr. Inv.	Mtl. Curb	no sales		6½	5	20	14	not listed		not listed	
Economic Inv. Tr.	T. S. Exch.	9	4½	37	34½	56	35½	68½	55	61	55
*Freign Pwr. Secs.	Mtl. Curb	4	1½	12½	5	37	24½	46	26½	56½	28½
*Hydro Elec. Secs.	Mtl. Curb	11½	4½	29½	8	55	20¾	83	27½	85	25½
London-Can. Inv. Tr.	L. S. Exch.	..	..	1	½	2½	1½	7½	3½	not listed	
Pub. Utility Inv.	Mtl. Curb	Delisted		no sales		16½	12	18½	13	14	13

*Market record of these two, commonly called investment trusts, but which are actually holding companies, indicates considerable speculative trading. Quotations for other six trusts give a better indication of actual situation.

† Quotations after 1930 on n.p.v. shares.

Somewhat better prices, but continued inactivity have prevailed more recently, as shown below:

	*1934 High	*1934 Low	1933 High	1933 Low
Can. Gen. Invts.	No sales		6½	4
Can. Int. Inv.	No sales		No sales	
Can. P. & F. In.	No sales		No sales	
Econ. Inv. Tr.	15	10¼	16½	7
For. Pwr. Sec.	3¾	1½	5	1½
Hydro-El. S.	8	5¾	10	5½
Lon. Can. In.	No record		£1	£1
Pub. Ut. Inv.	Delisted		Delisted	

* To May 7.

Because of the confusion it caused in the minds of the investing public, the word trust, as attached to investment, caused bona fide trust companies to protest the use of the term as applied to investment companies. The matter received some attention in 1927 and 1928, and an investment companies bill was introduced at Ottawa in April, 1929, but its proposed provisions were defeated. While no actual legislation has been passed, forbidding the use of the term investment trust, except in Ontario, promoters have come to realize the attitude of the public on this question and have largely ceased using the term in new companies. As applied to so-called investment trusts in Canada it has proved a misnomer, and has been an important factor in discrediting the entire movement in the Dominion.

This is the second article in a series describing investment trust experience in Canada. The next article will appear in an early issue.

Enquiries

Canada Dry

I hold 35 shares of Canada Dry Ginger Ale Company. It was bought some years ago in advance of present figures. I read some time ago in The Financial Post that the business of the company was changing character considerably with the advent of prohibition on December 5 last. From this distance and with bootlegging still in practice, I would appreciate it if you would try to give me some idea as to what effect the company's new policy may have on its shares.

As you indicate, Canada Dry Ginger Ale Company, Incorporated, on December 5, started an entirely new venture in organizing for the distribution of intoxicating liquors as well as of its ginger ale, carbonated water and other soft drink beverages, and this departure may be of immense importance to it. The company earned 84c a share in the year ending September 30, 1932, 89c a share in the year ended September 30, 1933 and earned 50c a share in the half year ended March 31, 1934. In the three months ended March 31, 1934, the company earned 20 cents a share as compared with 17 cents a share in the same quarter of 1933. This is not a great advance and part of it is undoubtedly due to improving business generally.

The company had excellent distributive facilities throughout the United States and this gave it excellent bargaining power in trying to make arrangements for distributing well-known brands of various domestic and foreign beverages of all kinds. In engaging to market these throughout the United States, the company would have large initial expenses in giving credit and financing sales through to the consumer. Sixty days credit seems the rule.

The company has had increasing competition in the soft drink field in recent years, but has managed to make way against it. It is altogether likely that it will have the strongest possible competition in the new field as well.

In 1933, Canada Dry Ginger Ale purchased an interesting New York city brewery, got domestic sales rights on many foreign liquors and is having its own brand of gin manufactured by an American distilling company. Naturally the new enterprise of the company will entail large expenses, as large advertising expenditures will be necessary to assure adequate volume. Probably, it will cost the company less than it will many other companies which have nothing like the experience that Canada Dry Ginger Ale has in this field. The management in the past has proved itself forward-looking and aggressive. The only way to judge the prospects of success either now, or in the future, of the new move will be by watching the quarterly reports and the annual reports.

The company has linked itself up with well-known products for which a certain demand is sure. Much depends on the volume secured.

Godfrey Realty

What is the meaning of the exchange of Godfrey Realty coupons for scrip? What is the expectation of a payment on the scrip?

It is expected that a payment of probably 3 per cent will be made on the scrip, or certificates of indebtedness, of Godfrey Realty Corp. in June. The property is now earning about 3 per cent on its funded debt and it appears that for some time no more than half the interest is likely to be paid.

Revenue for 1934 is expected to run about the same as last year when approximately 3 per cent was earned on the bonds. The property has no tax arrears as have so many of the real estate companies that have had to reorganize or default during the depression. The scrip was issued for the same amount as the cancelled coupons but may be paid only if the interest is earned and thus the December 1, 1933, coupon scrip certificate was not met. Interest accrues at 6 per cent on the unpaid scrip certificates.

English Electric

I hold 40 shares of English Electric "A" stock and 60 shares of the "B" stock which I acquired at a cost of $3,116 before the reorganization in 1928. This stock has paid very little in dividends and has depreciated badly. I have heard nothing of their earnings or financial situation since their annual report of 1932 issued in June, 1933.

Would you advise me to sell this stock and take my loss or do you think there is a fair chance of their pulling out of the hole?

English Electric Co., as you say, had a net loss in 1932 of $71,276 before depreciation and $111,276 after depreciation. Dividends have not been paid since 1931 except for $28,500 in 1932.

Nevertheless one should take into consideration the fact that this was the first time in the 22 years history of the company and its subsidiaries that an operating loss was incurred. The demand for electrical equipment in 1933 suffered a further decline. The company ended the year with a strong liquid position but its statement will probably show another loss for 1933. So far in 1934 the increase in business has been sufficient to improve the situation materially, but that will not show in the forthcoming statement.

On excellent authority The Financial Post understands that English Electric Company had a larger loss in 1933 than in 1932 because of the very lean business offering in the electrical equipment field. However, the company ended the year in a strong liquid position with about $500,000 in cash and current assets about 30 times current liabilities.

Up to date in 1934 business has been about double what it was in the same period of 1933. The directors are very much encouraged but are not yet in a position from the orders at present on hand to determine what the likely business for the whole year will be.

York, Scarborough Bonds

Please tell me what the security is for interest and principal on township of York and township of Scarborough bonds.

It will probably be another two or three years before it is possible to state with a reasonable degree of exactness what will happen to the interest and principal on the township of Scarborough and the township of York bonds. All the various bond issues of the two townships are in the same category as creditors, unless there is a guarantee by the County of York, when the security is more highly regarded. Both municipalities are in default of principal, but are paying interest.

It appears that in both Scarborough and York, a scheme of compromise will be devised sooner or later. At the present time, it appears probable that the bondholders may be asked to extend the date of maturity of principal amounts, but that efforts may be made to reduce the interest rate as little as possible. However, the question of whether or not interest rates on the presently outstanding securities will be reduced at all has not been decided and cannot be foretold at the present. For the time being, it appears that the two townships will continue to pay interest on the present basis.

Those who are handling the bondholders' interests are expected to oppose strongly any attempt to write down the amount of principal but are believed to be willing to extend the period of maturity.

Western Provincial Bonds

I am holding Saskatchewan and Manitoba bonds. What do you think of these western bonds

The financial position of the western provinces, as a group and individually, has been covered extensively in The Financial Post in recent months. The situation at present is that the Dominion has signified its intention of upholding the credit of the provinces in its own interests, at least temporarily. This is a reassuring factor for bondholders. But improved basic economic conditions will be necessary in the West before complete confidence in the provincial bonds will be restored.

The yields available on western provincial bonds indicate that markets rate them considerably below other Canadian provincial bonds. Saskatchewan has been particularly hard hit by drought and depression. Manitoba is beginning to feel some benefit from its youthful mining industry.

Better prices for agricultural products, and freedom from drought, are considered necessary before the provinces will be able to stand on their own feet. Otherwise, it would be possible that some scheme for refunding debts might be attempted. This, of course, might not necessarily injure their credit. But the chief consideration is that some recovery of agriculture is necessary before Saskatchewan and Manitoba will be out of the financial woods.

Exchange of Bonds

In order to take advantage of the high price at which province of Ontario bonds are selling, I am considering switching to bonds of McColl-Frontenac Oil Co. It is my understanding that the company has earned its interest on its bond issue three or four times over during the past several years. It has continued to pay preferred and common dividends throughout the depression, and would appear to me to be a sound investment.

You should remember in connection with the advance in the market for high grade Canadian bonds such as your province of Ontario debenture that corporation securities have also advanced and that by selling your Ontario bond in exchange for a corporation bond, you do not get the same type of security.

McColl-Frontenac bonds have advanced from about 96 at the end of 1933 to approximately 100 at present. Ontario bonds have advanced up to five or six points over the same period. McColl-Frontenac Oil Company earned its bond interest 4.62 times before depreciation in 1931, 5.32 times in 1932, 4.46 times in 1933 and 4.19 in 1934. After allowing for depreciation and bank interest, interest was earned 3.76 times in 1931, 4.30 times in 1932, 3.53 times in 1933 and 3.16 in 1934. These figures are for the years ended January 31. The company has earned and paid its common dividend every year up to that ended January 31, 1934.

It is worthy of note that the price of gasoline in the chief gasoline market in Canada, that is southern Ontario, has been cut by four to five cents a gallon. This condition, of course, may be temporary, but is not likely to have a favorable effect on earnings. During the depression, bonds of McColl-Frontenac Oil Co. have been satisfactory investments.

N. B. Cattle For Britain

A second shipment this season of Western cattle, finished at Woodstock, N.B., has been forwarded to the British market. These cattle were brought from the West last fall, fattened during the winter and put in prime shape for export early in the

Forecast Higher Wool Prices

Carryover of wool is light and the market is ready to assimilate the new crop at prices higher than in 1933, according to W. H. J. Tisdale, of the Canadian Co-operative Wool Growers Ltd. Last year the price averaged 14 cents a pound.

Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."—Shorter Oxford English Dictionary.

Note to Gardeners

THREE men in Toronto are running a racket that is proving very annoying to householders and gardeners.

The other day a professional gardener, who does work at a number of homes was approached by these men, while he was at work on a job, and was asked if he would not get them an order for loam and grass seed from the owner of the house. The gardener replied that he had his own arrangements for getting loam and that he would do any seeding that was necessary. The men went away.

A few days later they arrived at the house with a truckload of loam. They told the housewife that they had been sent by the gardener to resurface the lawn. The housewife told them to go ahead and paid them the $8 that they asked for the work.

A few days later the gardener came back with a load of loam and two of his own men to resurface the lawn. Naturally he was annoyed to find that the job had already been done.

A little enquiry revealed that many citizens, particularly in the exclusive Forest Hill residential suburb, have been taken in by these three men. They discover the name of the gardener working on the property—he is never a full time gardener, of course, but one of the type who comes once a week—and then use his name to fool the householder.

Strangely enough, not one of the householders went to the trouble to get the names of the men or even the license number of their truck. No doubt if they ran into a householder who had already made very definite arrangements regarding his loam and seed they would explain that a mistake had been made and go away.

Gardeners are getting on to the racket and are warning their customers not to do business with strangers using their names.

* * *

THE racket is not unsimilar to another one that has flourished for many years. No one ever seems to get caught at it which probably explains why it is ever present.

The racketeer in this case watches for birth announcements in the papers. Then he calls at the home of the family and hands the maid a parcel, saying "Here are the chickens that Mrs. So-and-so ordered last week." Sure enough there are two nicely dressed chickens in the parcel. The maid pays for them only to discover that no chickens were ever ordered.

In both the gardening racket and the chicken racket there is no very real harm done because the householder usually gets reasonable value for what is paid over. But in another variety of the chicken racket there is outright fraud for the full amount. The racketeer calls at the house and says that he has been sent to collect $6 or some other small sum for chickens delivered to the hospital for Mrs. So-and-so. They must collect frequently enough because they keep at it.

CANADIAN SECURITIES

Dominion and Provincial
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Municipal Bonds
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Insurance For Buyer and Seller

LIFE COMPANIES GET LARGEST SUICIDE RATE

Deaths Among Policyholders Much Greater Than Average

That life insurance policyholders have a markedly higher "suicide rate" than is the case for the ordinary population is brought out by a short study of "Suicides in Canada" submitted this week by J. B. Mabon of Sun Life Assurance Co. of Montreal before the 10th Congress of Actuaries at Rome. Mr. Mabon also revealed that the trend of suicide among Canadian policyholders has soared steadily since 1929—the year which shows the lowest suicide mortality in the period under review. Suicide among women is only one-quarter that of the rate among men, Mr. Mabon finds.

Comparative figures submitted by Mr. Mabon covering the suicide experience of the total population in Canada and of leading Canadian life companies is as follows:

Suicide Rates in Canada, All Ages*

Year	Population Rate per 1,000	Population % of total deaths	Lives assured† Rate per 1,000	Lives assured† % of total deaths
1926	.72	.63	.154	2.19
1927	.79	.72	.196	3.21
1928	.76	.69	.150	2.62
1929	.83	.74	.132	1.90
1930	.99	.92	.243	3.61
1931	.97	.96	.298	4.41
1932	.97	..	.475	6.25

*See explanatory paragraph below.

†Rate based on experience of 8 companies; % of total deaths on 7 companies.

Adjustment Needed

"The effect of financial difficulties which developed in 1929 and subsequent years upon the suicide rate is quite apparent. The population figures are lower because of the inclusion of children in the population. It is estimated that the percentage of deaths by suicide should be increased by approximately 40 per cent to make a proper comparison with the experience on lives assured. In 1930, for example, the percentage of deaths from suicide at ages 10 and over in the general population was 1.29. With this adjustment, however, the ratios on lives assured are still above those for the general population.

"It may be of interest to note that the population figures 1926-30 show that suicide by firearms made up 25 per cent of the total. Other methods of self-destruction were; hanging or strangulation 23 per cent, drowning 12 per cent, poison 11 per cent, corrosive substances 9 per cent, piercing instruments 9 per cent, poisonous gases 6 per cent, all other methods 5 per cent.

"A certain proportion of deaths reported as being due to accident may be due to suicide especially in the case of carbon monoxide poisoning and of automobile accident. This is to be expected in general to avoid any stigma which may attach to suicide and to avoid possible dispute over the payment of a life assurance policy. There is some indication that the rate of death from accident was greater in the years 1929-32 than in the years 1926-28. In view, however, of the general increase in automobile accidents in recent years, it cannot be said that the economic depression resulted in any signficant increase in accident claims which might be ascribed to suicide.

"The selection against the life assurance company by suicide becomes apparent when a study is made of the suicide rate by age. This selection may be premeditated when the assurance is applied for but it is more probable that the selection arises at the time of death and is made by those carrying larger assurances who feel that any obligation to their family or dependents is discharged by the life assurance. It was only possible to secure the percentage of suicides of total deaths in decennial age groups in the general population. The percentages have been applied to the ultimate "Canadian Men" rate of mortality to obtain a comparison with assured lives. The experience of four companies by amounts assured is given including all claims reported at the face value of the policy. Another experience comprising four companies was used to represent the actual loss per $1,000 excluding claims of the first two years."

Suicide by Age Groups

Age group	Population 1926-30 % of suicides	Population Estimated suicide rate per 1,000	Lives assured 1926-32 suicide rate	Lives assured 1926-32 actual cost
-20	1.95	.086	.086	.065
30-39	2.73	.122	.130	.110
40-49	2.50	.175	.350	.279
50-59	1.55	.228	.407	.318
60-69	.70	.246	.395	.267

"In conclusion a reference may be made to female lives. In the general population there were approximatly 4 male suicides to one female in the period studied indicating a rate of suicide among female of only 25 per cent of the male rate.

Buying Uninsurable Partner's Interest

Two Ways of Financing Reciprocal Agreement for Purchase of Business When Partner Uninsurable

By R. M. HAULTAIN

If 10 per cent of our business men between the ages of 35 and 65 are uninsurable (actuaries consulted believe this a conservative figure) and if the average firm has three principal active shareholders, then nearly one third of our business firms have this factor to overcome when completing arrangements to consolidate control on the death of a partner.

You are active in business but cannot get life insurance.

You recognize the wisdom of having a friendly agreement between your partner and yourself arranging the purchase by the survivor of the business interest of the first to die. How could the agreement be financed when you are not insurable?

The Answer

In a previous article we found that there are three ways of financing these reciprocal agreements. In order of efficiency and economy they are:

1. The partnership life insurance method;
2. The sinking fund method;
3. The loan-when-the-time-comes method.

Here are two alternative methods of financing your agreement when you are uninsurable.

Let us assume that your business has a net worth of $45,000 plus a goodwill value of $5,000, so that you each wish to get $25,000 for your 50 per cent interest. For identification purposes we shall call you Insurable and Uninsurable.

First Method

Insurable insures his own life for the value of his interest, $25,000, on the ordinary life plan, payable to the trustee under the agreement, and puts say $50 a month into the policy.

Uninsurable starts building a sinking fund by depositing with the trustee a like amount.

You then have your lawyer draw the agreement based on the usual structure but with variations to suit your case.

A. If Insurable dies say in five years, his business interest goes automatically to Uninsurable and the trustee turns over the $25,000 insurance money as payment in full to Insurable's estate. The sinking fund is dealt with as stipulated in the agreement.

B. If Uninsurable dies in five years the money available to buy his $25,000 interest consists of 5 x $600 = $3,000 plus interest, plus the cash values and dividends in the policy on Insurable's life. The policy need not be surrendered unless desired as the cash can be obtained by loan. Quite probably, Insurable would wish to have the policy for credit purposes when he controls the business.

These pooled resources form the initial cash payment which Insurable makes on Uninsurable's interest, the balance being paid off on a time basis. The important object has been accomplished of arranging a definite sale, partly financed, of the business interest at a fair value.

Place a ten, fifteen, or twenty year endowment policy on Insurable's life, payable to the trustee, both contributing equally to the premium deposits. (If your business interests were unequal you would each contribute proportionately.)

Then have your lawyer draw the agreement on the following basis;

A. If both men live to the maturity of the endowment the proceeds are divided between them. The gap has been bridged and reserves have been built.

B. If Insurable dies before the endowment matures the trustee as instructed in the agreement pays half the proceeds to Insurable's estate. This payment has no bearing on the purchase of the business interest because this half of the endowment was built up with Insurable's money. The other half was built up with Uninsurable's money so the agreement instructs the trustee to pay it to Insurable's estate as Uninsurable's cash payment on Insurable's business interest. Uninsurable then pays off the balance on a time basis.

C. If Uninsurable dies before the endowment matures, the endowment on Insurable's life is cashed in for its then value. The first half, being Uninsurable's property, goes to Uninsurable's estate and has no bearing on the purchase of Uninsurable's business interest. The other half being Insurable's property, is stated in the agreement to be the cash payment by Insurable on Uninsurable's business interest. Insurable then pays off the balance on a time basis.

If a clean cash sale were desired and this method used to buy Insurable's interest it will be seen that the endowment policy should equal the two interests combined. The endowment could be issued in two separate policies if desired.

Consult Doctor Before Lawyer

As the uninsurability of one partner means that the agreement will be quite different from the usual type where insurance is issued on the two or more lives concerned, it is evident that the doctor should always be consulted and the insurance obtained before the lawyer starts on the agreement.

These methods may be used for partnerships where there is no stock, or for close corporations where the interests consist of shares of stock.

This is article sixteen of the second series (twenty-three of the dual series) on Business Insurance, written for The Financial Post by R. M. Haultain. The next article of this double series of twenty-five will deal with some questions and the answers. All rights on these articles reserved.

Business Insurance Articles Widely Read

From all over Canada has come an extraordinary demand for reprints of the articles on business insurance which have been appearing in The Post in recent weeks. This series, to the best of our knowledge, is the first complete Canadian treatment of the subject.

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This is article 23 of two series.

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Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Mill Owners Mutual

Will you tell me if the Mill Owners Mutual Fire Insurance Co. of Iowa with Canadian head office at Hamilton, Ont., is a safe company with which to insure?

Any information you can give me will be appreciated.

Mill Owners' Mutual Insurance Co. has been regularly licensed by the federal insurance department in Canada since 1923 and holds considerable assets in Canada, the bulk of which are held for the protection of Canadian policyholders.

It complies with the federal requirements in respect of a deposit, the amount of its deposits being normally sufficient to cover its liabilities in respect of unearned premiums.

The company has had a good record in Canada and is rated as "very good" by a well-known rating organization of the United States.

MUST BE CRITICS OF GOVERNMENTS

Insurance Companies Urged to Assume Trustee Rôle for Policyholders

Life insurance companies, as guardians of the public wealth, are bound in honor to act on behalf of investors as a whole and, further, to act as critics of the conduct of private businesses and governments, Col. Wilfred Bovey, O.B.E., LL.B., director of the department of extra-mural relations, McGill University, told members of the Montreal Life Underwriters' Association at a recent meeting.

Increasing expansion of insurance companies as more and more Canadian citizens become policyholders is creating a machine which, if present trends continue, must ultimately cooperate with governments and directorates in the general control of such utilities, Col. Bovey said.

Referring to the persistent call for more public ownership of business and utilities, Col. Bovey stated that he felt that this would be greatly limited by opposition from insurance companies and their policyholders, who, because of their tremendous investments, would likely be definitely opposed to anything approaching state socialization.

Dominion Gresham Prepares Creditors' List

From Our Own Correspondent

MONTREAL.—Dominion Gresham Guarantee and Casualty Co. in liquidation, through the Crown Trust Co. as liquidators, has filed a public notice to the effect that it has prepared a list of all creditors of the company and that such list will be subject to corrections or omissions up to June 4, when the statement will be filed in the Department of Insurance at Ottawa.

After the filing, the liquidator will proceed in due course to distribute the assets of the company to the persons named on the creditors' statement.

Figures Reveal Growth Of Group Annuity Sales

Recent Development Provides Pension Plan for Employees on Group Insurance Basis — Sales Treble Since 1929

Important figures indicating the rapid growth of the group annuity and group sickness and accident insurance in Canada in the past few years were presented this week to the tenth International Congress of Actuaries at Rome in a paper prepared by W. A. P. Wood, actuary, Canada Life Assurance Co. Mr. Wood's paper entitled "Group Insurance in Canada" was divided into three parts covering the main branches of this business as carried on in Canada, namely: group life insurance; group accident and sickness insurance and group annuities.

Mr. Wood predicted a considerable development of group insurance business in Canada with the return of more normal economic conditions and commented upon the benefits which had accrued to purchasers of group insurance by reason of the close co-operation existing between group companies in Canada and in the United States.

Rapid Growth Since 1925

The rapid growth of sickness and accident insurance and of the sale of group annuities in recent years is shown in the following table; the figures in the third column revealing the rapid growth in this field since 1928:

Growth of Group Insurance in Canada

	Bus. in Force Group Life Ins. $	Premiums Received Sickness & Accid. Ins. $	Premiums Received Group Annuities $
1920	56,672,286	......	......
1921	59,665,319	......	......
1922	63,866,486	......	......
1923	85,392,967	......	......
1924	102,140,551	......	......
1925	138,369,040	48,973	252,437
1926	201,649,179	65,440	111,044
1927	270,602,595	93,943	190,779
1928	340,671,518	162,117	171,618
1929	431,080,067	284,725	261,132
1930	476,929,888	431,153	495,977
1931	492,150,287	517,266	536,047
1932	462,644,328	516,848	807,948

Commenting on the growth of the sickness and accident benefit in the group insurance contract, Mr. Wood points out that starting with an initial premium income of only $49,000 in 1925 this sum increased nearly 100 per cent by 1927. In the next two years there was an increase of nearly 200 per cent in premiums receivable while in 1930 a further gain of 50 per cent was noted. 1931 showed a further gain of 20 per cent while in 1932, in spite of prevailing economic conditions which might have caused a considerable falling off, the decline was only very slight.

Education Needed

The most recent development of importance in this field has been the growth of the group annuity and although Mr. Wood warns that much education both of employee and employer will be necessary before much development can be expected, the rapid increase in sales of this type of contract in the past two or three years (indicated in the above tabulation) augurs well for a rapid increase in sales in the future.

Commenting on the group annuity Mr. Wood said in part:

"The development of the group annuity business in Canada has all taken place within the last few years. In a young country where the average age of the population is considerably less than in the older countries, the provision for pensions during the declining years of the population has not been a pressing one. It is true that provision has been made by a few private institutions such as banks, telephone companies, commercial houses, etc., through their own private pension schemes for providing retirement incomes for employees with long service, and similar provision has been made for employees of the Dominion and provincial governments and of many cities and municipalities.

Breaking New Ground

"Within the last few years a beginning has been made by the life insurance companies in an attempt to offer their services for the purpose of placing within the reach of all employers a means of providing retiring allowances for employees who have attained a certain age and who have served the employer a certain period of years. Difficulties were encountered at the outset because the companies were breaking new ground and consequently a satisfactory basis, built on experience, did not exist for their guidance. It was necessary, therefore, for them to adopt scales of premium rates and forms of policy based on considerations which formed the best available guide at the time but which, nevertheless, may be required to be modified from time to time as future experience may indicate is desirable.

Joint Contributions

"The plans most favored by the life insurance companies require contributions from the employees as well as from the employer. The employee is required to contribute a certain percentage of his income each year and his contributions are accumulated separately and applied at the pension age to purchase an annuity for the balance of his life, based on a suitable mortality table and rate of interest. The employer is usually required to provide at pension age a pension directly proportionate to the number of years of service. The employer's portion, usually called a service pension, is generally determined as a percentage of salary (1 per cent or 2 per cent) and each year, by means of single premiums, the cost of the service pension or annuity applicable to that year constitutes the premium and is paid to the insurance company.

"In addition to the amounts contributed for the premiums received, there have been payments to the insurance companies in order to provide for accrued liability which would exist at the inception of the pension scheme for old employees. The amount paid to the companies in this way varied considerably from year to year, in some cases going as low as about 5 per cent of the regular premiums received, and in one year going to more than 50 per cent of such premiums.

"The group annuity business is developing slowly in Canada, as a great deal of education of the employer and employees will be required before much development can be expected. Furthermore, the long continued depression, with the corresponding falling off in earnings of commercial and other companies, has in the meantime proven an insuperable difficulty in the paths of most employers who desired to introduce pension schemes for the benefit of their employees. It is expected, however, that with the return of more normal economic conditions, there will be considerable development in this branch of the group insurance business."

Gen. Accident '33 Statement Shows Gains

Gains in premiums written, net profit and in surplus account are reported for 1933 by General Accident Assurance Co. of Canada in its 28th annual report.

Premium volume totalled just over the million dollar mark and after adding income from investments and meeting all claims and expenses, a net profit of $117,556 was shown at the end of the year. This is $8,500 greater than the corresponding figure a year ago.

After payment of shareholders' dividend of $33,750 and a further sum of $50,000 as reserve for depreciation in investments, surplus account was increased by $36,000 to $1,370,000.

Assets Little Changed

Total assets are shown at $2,348,000 of which almost half is invested in bonds and debentures. These are shown to have a book value of $1,490,000 but are taken into the balance sheet at $1,415,000 after deducting investment reserve of $75,000. Fixed assets (being mainly the company's building on Bay St., Toronto) are slightly lower at $688,000 due to a larger write-off for depreciation. Other items show little change.

Comparative figures follow:

	1933 $	1932 $
Premiums written	1,022,586	1,017,042
Total income	1,129,837	1,153,735
Net profit	117,556	108,963
Assets	2,348,126	2,370,190
Surplus	1,370,365	1,336,559

Bay Cumberland in Default On First Mortgage Bonds

Interest on Bay-Cumberland, 6½ per cent first mortgage bonds, due 1944, was defaulted April 1, 1934. The sinking fund has been in arrears for some time.

The bonds are outstanding in an amount of $220,000. The company operates a five-story building, and two-story garage at Bay and Cumberland Streets, Toronto.

DONNACONA PAPER INCREASES OUTPUT

Betterment Felt Both in News and Board Production

From Our Own Correspondent

MONTREAL.—Donnacona Paper Company is reported to have stepped up its newsprint production substantially. Results from the company's insulating board mill have recently been much better. The capacity of the board mill is 55 tons daily as compared with a newsprint capacity of 230 tons a day. Rumor even has it that lately newsprint output has begun creeping up toward the capacity of the mill. This, however, may be but a seasonal affair. Navigation on the St. Lawrence has just opened. This may have permitted the company to have tapped other markets; in addition, Donnacona owns and operates barges which can now handle tonnage to the Great Lakes.

Donnacona bonds have strengthened materially and are now selling around 62; this gives added force to the rumors of improved operating conditions. Up to the end of the first quarter, the newsprint plant operated only at about 35 per cent capacity; the improvement is understood to have taken place within the last week or two with a resulting betterment in the price of the bonds of some 10 points.

From the point of view of power supply, Donnacona occupies perhaps a better position than any of the other producers. It is one of the few, if not the only company which has been able to obtain a new contract for power. Donnacona now pays only for power actually consumed.

New Books

SAYS FISHERIES IN DIRE NEED OF DEFINITE PLAN

Control of Marketing is Thought Essential to Save Canada's Position

That the fishing industry in Canada is in dire need of just the sort of thing that the Hon. Robert Weir plans for agriculture in his new marketing bill, is the conclusion of Ruth Fulton Grant, M.A., in her book "The Canadian Atlantic Fisheries" recently published as Vol. 4 in a series covering the staple industries of Canada and prepared under the direction of Dr. H. A. Innis of the University of Toronto.

Recalling that Canadian fishing grounds are probably the most extensive in the world and the most valuable of the western hemisphere if not of the entire globe, Mrs. Grant finds it difficult to understand the apathy of the Government in limiting the work of the Department of Fisheries by inadequate grants and other serious impediments to proper development of this great natural resource. Mrs. Grant believes it is essential that Canada improve the marketing conditions of fresh fish in the domestic market and of cured fish in the world market and in order to do so believes that compulsory inspection laws rigidly enforced are a prime essential.

Envisions Marketing Board

Although written considerably prior to the introduction of Ottawa's new N. P. M. A. Mrs. Grant says, "There is need for a marketing board which will have as its duty the supervision of all problems connected with the domestic and export marketing of fish products."

One important lack she finds, is that of adequate credit facilities for the successful carrying on of fishing operations. She feels that a fisheries bank (using the word in its fiscal sense) is just as important as the more familiar geographical bank commonly associated with the Atlantic fishery. She points out that such an institution specifically concerned with the provision of credit for fishermen has been the method of approach to this problem in other countries.

Another weakness is seen in the fact that in the past, experiments have been developed by the Department of Fisheries to a stage where their commercial possibilities are in sight and then handed on to private enterprise. Because many of these have not been subsequently fostered, they have been frequently allowed to lapse indicating the need for closer co-operation between these two groups.

Definite Policy Needed

In effect, she feels that the Government must be prepared to take such measures as will ensure the Canadian fisheries a position in foreign markets on a par with that afforded by other producing countries. In other words, there must be a definite policy for expansion of the fisheries which should be carried on by a separate department of fisheries with sufficient financial support to enable it to effectively complete such a policy. Failure by Canada to adopt the modern methods of production, curing and marketing of fish has, she believes, seriously restricted economies of large scale production, and the development of such facilities must precede expansion of our fish-export trade especially that of fresh fish.

Need Modern Equipment

One specific suggestion is that with the geographic advantage of proximity to prolific fishing grounds, coal at tide-water, and its use as a chief source of dry-ice refrigerant, the possibility of a modernly equipped trawler fishery and the development of a floating factory warrants serious consideration. Such fisheries, she believes, would promote numerous integrated industries. On the other hand, modern trends in production adopted in the important producing countries can be ignored only with disastrous results.

"There is a need for a definite policy of economic planning within the industry and this can best be achieved by close co-operation between an Advisory Board consisting of practical and influential men in the fishing industry, and the officials of the Department of Fisheries. Such problems as credits, compulsory inspection and the establishment of standardized fish products should come under its jurisdiction. The Department of Fisheries should be able to function with increased appropriations in the same effective manner as the Department of Agriculture."

"The Canadian Atlantic Fisheries" is published by Ryerson Press. Price $2.50.

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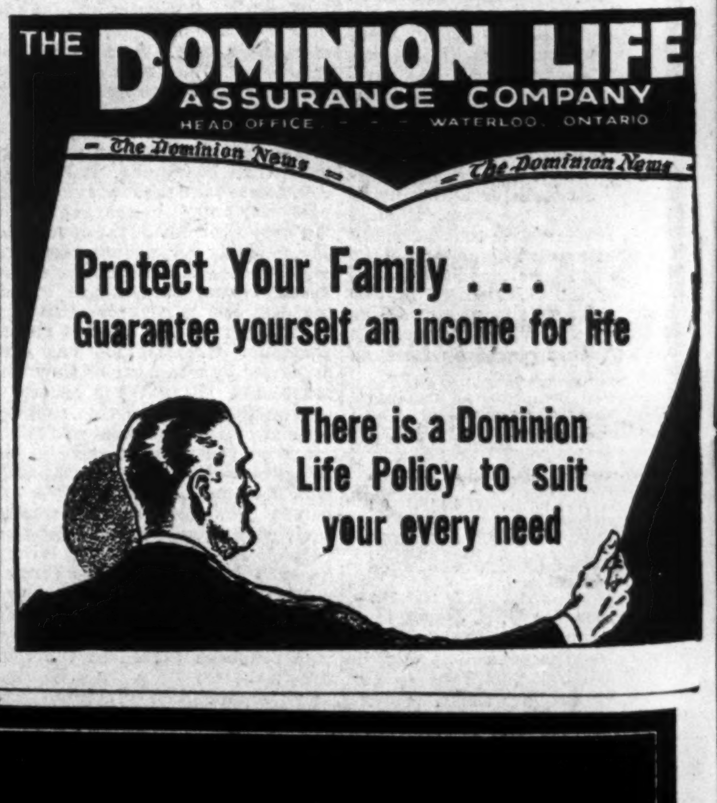
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Bank Chat on Current Topics

Central Bank Outlook

IF THE New Zealand experience is a reliable precedent, the Bank of Canada, Canada's proposed central bank, will have its capital over-subscribed several times, if and when the books are opened.

The New Zealand central reserve bank recently called for subscriptions to the entire issue of £500,000 capital stock in shares of £5 each. Subscriptions were received for £2,500,000 of stock. Applicants are to receive allotments according to a graduated plan, which gives preference to small investors. The shares carry accumulative dividends of five per cent on the amount paid up.

Total number of applicants was 9,000. Those who applied for 10 shares or less will receive full allotment, and no one is to have more than 20 shares. The over-subscription of the issue is taken to indicate that there is a great demand for gilt-edged securities in New Zealand, rather than as significant of support for the bank..

Perhaps there is a hint as to what may be done about the governorship of the Canadian central bank in the appointment of Leslie Lefeaux of the Bank of England as governor of New Zealand's central bank.

Mr. Lefeaux was formerly assistant to Montague Norman, governor of the Bank of England, and reports from New Zealand indicate that the government will take no steps to appoint directors until he arrives. Mr. Lefeaux's arrival is also awaited in connection with the determination of the bank's policy. Thus, it appears that the Bank of England may have more than an advisory influence on the policies of New Zealand's new central bank.

Does it augur something similar for Canada?

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

R. V. ARNOLD to be manager at Mill and Paradise Row, Saint John, N.B., succeeding A. J. MACQUARIE, who has been granted leave of absence on account of ill health.

B. W. GARVEY to be manager at Hampton, N.B.

J. W. NICHOLSON to be manager at Lanark, Ont.

H. BROWN to be manager at Dalkeith, Ont.

The Canadian Bank of Commerce announces the following staff changes:

G. J. McRAE, formerly assistant inspector at Winnipeg, to be manager at Medicine Hat.

A. H. WATSON, formerly manager at Medicine Hat, to be manager at Moose Jaw.

H. G. HURLBURT, formerly manager at Moose Jaw, to be manager at Main and Alexander, Winnipeg.

The Dominion Bank announces the following staff changes:

P. KENNEDY to be acting manager at West End branch, Kitchener, Ont.

C. B. PEARSON to be acting manager at Robson and Hornby Sts. branch, Vancouver.

News of Bank Men

V. D. Oliver, for 10 years manager of the Enterprise, Ont., branch of The Royal Bank, was presented with a desk set by friends when he was transferred to Glencoe, Ont.

A. E. Brundett, manager of The Royal Bank at Kitchener, was recently presented with a leather travelling bag by the Kiwanis Club of that city, of which he is treasurer, in appreciation of his work in production of an operetta in aid of child welfare.

L. T. E. Foster, formerly manager The Royal Bank, Main and Sherman, Hamilton, was presented with an engraved silver cigarette case by the staff when he was recently transferred to Queen and Close branch, Toronto.

J. F. McMillan, manager The Royal Bank, La Rivere, Man., recently gave a brief explanation of the rudiments of banking to the local Women's Institute.

E. H. O. Thorne, formerly of The Royal Bank head office, was presented with a wrist watch by his colleagues when he was transferred to Port of Spain, Trinidad, as assistant manager.

C. A. Gray, manager, The Royal Bank, Ottawa, was recently promoted to the grade of commander of the Order of St. John of Jerusalem by the Governor General, Lord Bessborough.

J. E. Trottier, formerly manager Quebec, St. Roch branch of The Royal Bank, was tendered a dinner at the Chateau Frontenac by friends upon the recent occasion of his transfer to Montreal Papineau Ave. branch. He was presented with a liqueur cabinet and two cocktail sets by friends, and Royal Bank managers in Quebec gave him a leather bag. B. B. Carter, manager Quebec branch, entertained at dinner for Mr. Trottier and A. U. Matte, who succeeds to the St. Roch managership.

E. B. McDaniel, manager The Royal Bank at Truro, recently addressed the Ladies Council on the subject of central banking. Mr. McDaniel is vice-president of the Truro Golf Club.

Gerald Henshaw, formerly manager of the Bank of Montreal, Shediac, N.B., and who has been transferred to Quebec Upper Town as manager, is a fellow of the C.B.A., and was winner of the junior essays competition in 1927.

J. J. W. Bridges, The Royal Bank, Winnipeg, headed the list of graduates of the fellows' course of the C.B.A. in January. Second honor graduate was H. Marshall, The Canadian Bank of Commerce, Briercrest, Man. Pass graduates in the fellows' course were, in order of merit: B. E. Crawford (Commerce), New York, N.Y.; L. M. Bayly (Montreal), Montreal, Que.; T. A. Marsland (Montreal), Kisbey, Sask.; W. G. Clarke (Montreal), Fort William, Ont.; F. B. Risteen (Montreal), Melville, Sask.; E. A. Dion (Royal), Verdun, Que.; A. Binns (Commerce), Yorkton, Sask.; T. Foster (Royal), Indian Head, Sask.; C. Locke (Royal), Huntsville, Ont., equal; G. C. Hitchman (Nova Scotia), London, Ont.; R. L. Caldwell (Imperial), New Norway, Alta., J. A. Edwards (Montreal), Montreal, Que., J. E. Taylor (Royal), Cabri, Sask., equal.

Current Events in Banking World

Canadians Own 80 Per Cent Bank of Montreal Shares

Holders of Over 100 Shares Each Listed; Dividend Cheques go to Every Important City of the World

From Our Own Correspondent

OTTAWA. — Bank of Montreal, one of the largest chartered banks, is a distinctly Canadian institution.

The list of shareholders, as of December 30, last, tabled in Parliament this session, proves that practically 80 per cent of the shares are owned by citizens of this country. More than that, the greater part of foreign owned shares are held in Great Britain. All told the bank is over 90 per cent British owned.

Study of the shareholders' list discloses the important fact that recent years have brought a steady increase in the number of women shareholders. A few decades ago, Canadian banks were owned almost entirely by men. Today the situation is radically changed. Women now own about 30 per cent of the bank. They are rapidly increasing both in numbers and in holdings. and within 10 years, unless the present trend is reversed, the majority of the stock of the bank will belong to women.

The manner in which stock passes from the possession of men to women is indicated in the list. Women inherit from their fathers, brothers or husbands. Or they are the beneficiaries of trust funds created by the placing of stock in their names,.

Politicians Hold Shares

From a political standpoint, the list reveals interesting information. Three cabinet ministers own Bank of Montreal stock: Premier R. B. Bennett has 300 shares; Hon. C. H. Cahan, Secretary of State, has 232 shares; and Hon. Murray MacLaren has 120 shares. Pierre Casgrain, Liberal whip, owns 11 shares. Senator Rodolphe Lemieux, former speaker of the Commons, owns 124 shares and Senator Lorne C. Webster 138 shares. Dr. W. L. McDougald holds 120 shares and Hon. Herbert Marler, minister to Japan, 25 shares. The late Hon. E. B. Ryckman owned 120 shares.

E. W. Beatty, president of the C. P. R., and a director of the bank, owns 132 shares while Jackson Dodds, joint general manager, owns five shares. His confrère, William A. Bog, owns 100 shares.

The non-Empire owned shares are scattered the world over. There is no city of importance on earth to which dividend cheques of the Bank of Montreal do not go.

The largest shareholder is the Royal Trust Company which controls or owns many thousands of shares, probably as nominee for estates.

The following list gives the name of every Canadian who owns 100 shares or over, and the table preceding it gives the number and value of shares owned in the various registry areas.

	Shares	Par Value $
Montreal	181,200	18,120,000
Montreal non-residents	25,023	2,502,300
Montreal residents in U. S.	4,324	432,400
Toronto	41,925	4,192,500
Halifax	15,591	1,559,100
Calgary	2,635	263,500
Charlottetown	215	21,500
Regina	340	34,000
Saint John	2,661	266,100
Vancouver	6,729	672,900
Winnipeg	3,965	396,500
New York	33,778	3,377,800
London	41,614	4,161,400
	360,000	36,000,000

Montreal Registry

Mrs. Mary Adams	100
Late Sir J. J. C. Abbott	49
Mrs. Frances M. Abbott	80
Estate of Mrs. Mary Aitken	100
Lt. Col. Sir H. Montagu Allan (Under marriage contract he holds another 174).	1,313
Lady Allan	854
Mrs. Stella M. Allan	162
Ambert Investments Ltd.	247
Miss Mary C. Ames	163
D. Forbes Angus	500
Mrs. Mary E. Angus	85
Estate of Robert Archer	136
Estate of John Arnton	204
Miss Florence Atkinson	139
Mrs. Selina J. Atkinson	300
Barclay's (Canada) Ltd.	123
Estate of Alfred Baumgarten	1,585
Mrs. Jeannie E. A. Beattie	358
E. W. Beatty	132
Trustees for James W. Benning Jr.	100
Mrs. Ethelred N. Benson	154
Edgar M. Berliner	100
Mrs. Isabella M. Black	101
William A. Black, Ogilvie Flour Mills Ltd.	120
William A. Black, in trust	565
Miss Alice G. Blackader	110
Estate of Kennet W. Blackwell	242
Edson A. Blake, M.D.	134
Estate of Bendix A. Boas	415
William A. Bog	100
Mrs. Mary E. Bosse	304
Mrs. Emily J. B. Bovey	100
Allan Bronfman	120
Mrs. Edith B. Bruce	122
Hon. Charles H. Cahan	232
La Caisse d'Economie de Notre Dame de Quebec	140
George A. Campbell	150
Estate of Robert Campbell	135
Canadian Import Co.	234
Canadian Investment Fund	100
Estate of Miss Eugenie Carrier	112
George Caverhill	240
Mrs. Emily M. Caverhill	750
Champlain Securities Ltd.	100
Estate of Lady Mary L. Chapleau	250
William G. Cheney	496
Mrs. Maud M. Chipman	375
The Church Home	200
La Cie d'Assurance Mutuelle	100
Albert E. Clare	300
Ronzo H. Clerk	632
Mrs. M. J. E. H. Content	200
Mrs. M. J. T. E. Content	200
Mrs. Mabel G. Cooper	104
Estate of James Crathern	451
Miss Eliza S. Crawford	361
Cressington Holding Co.	550
Miss Jane L. Croil	186
Marue C. Crombie	264
Estate of Alexander Cross	258
Sir Arthur Currie	110
Miss Christina Davidson	100
Randall Davidson	152
Allison C. Davie	176
George D. Davie	102
Arthur O. Dawson	136
Estate of Andrew J. Dawes	520
Francis G. T. Dawson	120
Percy M. Dawson	178
Percy H. Dean	157
Mrs. Ethel C. DeBrisey	288
Mrs. Dorothy Lyman Dixon	151
Alfred C. Dobell	121
William M. Dobell	245
Dominion Oilcloth and Linoleum Co.	300
Estate of James M. Douglas	100
Miss Jessie Dow	361
Estate of Wm. Dow	1,080
Lady Drummond	691
Huntley Drummond	720
Estate of Maurice Drummond	265
Denys A. L. Dwyer	181
William R. Eakin	150
Paul B. Earle	168
Alfred B. Evans, vice-pres.	120
Mrs. Margaret Farley	166
Edward C. B. Fetherstonhaugh	124
Estate of Mrs. Janet C. Fetherstonaugh	150
Mrs. Thora D. Finlay	753
Firemen's Mutual Insurance Co.	120
C. A. Robertson Fleet	225
Miss Isabella R. Fleet	250
Miss Jane D. Fleet	253
Miss Mary E. Fleet	174
Mrs. Selina Fleury	103
Asa B. Foster	115
Mrs. Mary M. B. Foster	151
Alfred E. Francis	500
Mrs. Clara M. Fraser	395
Estate of George B. Fraser	500
Estate of Mrs. Miranda R. Fraser	128
Mrs. Rebecca Fraser	162
Mrs. Magdalene French	160
Estate of Andrew F. Gault	480
Mrs. Hilda F. Gault	330
Estate of Leslie H. Gault	240
Trustees for Leslie H. Gault	728
Trustees for Mrs. Louisa H. Gault	240
Mrs. Eliza G. W. Gillean	100
John L. Gilmour	100
Glengarry Inv. Co.	169
Sir Charles Gordon	768
Sir Charles Gordon and R. G. Muirhead, in trust	120
Estate of Sir Lomer Gouin	150
Mrs. Katherine Gray	108
Great American Ins. Co.	721
Great Britain and Canada Investment Corp.	166
Estate of Edward B. Greenshields	132
Trustees for estate of E. B. Greenshields	144
Estate of George Crier	1,000
Estate of Mrs. A. Maud Griffith	100
The Guarantee Co. of North America	842
Henry J. Hague, John Hamilton	570
Estate of Robert Hamilton	549
Miss Robina Hamilton	190
E. Greville Hampson	100
Estate of Harold Hampson	160
Mrs. H. Winnifred Hampson	180
Estate of Robert Hampson	481
Mrs. Brenda C. C. Harding	577
Mrs. Catherine Hart	154
Samuel Hart	160
Estate of William A. Hastings	144
Miss Violet M. C. Haswell	146
Miss Calista Haws	201
Mrs. Clara Hays	156
Hazelbrook Inv. Co.	107
Heatherdale Inv. Co.	125
Estate of Mrs. Elizabeth Heney	210
Miss Freda M. Henshaw	250
Lady Hickson	340
Trustees for Mrs. Louisa H. Hilton-Green	350
Lady Hingston	238
Mrs. Mary F. Hodgson	240
Estate of Henry Hogan	864
Mrs. Jenty D. Hogg	100
The Home Life Ins. Co.	500
Estate of Charles R. Hosmer	2,406
Miss Olive Hosmer	141
C. P. Howard, M.D.	120
Estate of John Hope	120
Estate of Charles Hope	330
Lady Hull (England)	146
Mrs. Ellen Huston	259
Insurance Co. of North America	1,000
Investment Foundation Ltd.	100
Trustees for Irish Protestant Benevolent Society Permanent Fund	190
Jeffery Hale's Hospital	601
Mrs. Elizabeth J. Johnston	240
Miss Ethel M. M. Jones	273
George Jordon	113
Miss Rachel S. Joseph	185
Curator for Mrs. S. Celine Joseph	156

Ottawa Has Five-Year Plan to Renew Loan Co. Charters

From Our Own Correspondent

OTTAWA.—Depending upon the speed with which major legislation now before parliament is disposed of, the Bennett Government may bring down a Federal Loan Companies Act under which all charters granted to loan companies would come up for revision from time to time.

The idea, for it has not progressed beyond that point as yet, is that loan company charters should expire every ten years just as the bank charters do. Both should expire the same year and thus enable the whole field of credit in Canada to be surveyed simultaneously.

Action Not Likely

Hon. E. N. Rhodes, minister of finance, is now considering the advisability of the move. He will discuss it with G. D. Finlayson, superintendent of loan companies, and will make an announcement within the next week or two. It is not probable that legislation will be attempted this session. The two bank bills are still before the banking committee and the budget resolutions have not yet been touched. Following these financial measures, Mr. Rhodes must proceed with a group of bills embodying the intermediate credit policy. The most important of these is a bill amending the Insolvency and Bankruptcy Act.

It is thought that these measures will keep parliament fully employed until mid-June and the Government is not likely to attempt any further important measures after that time. But if nothing is done this year, the question may be studied during the recess and legislation introduced early in 1935.

Estate of Frederick T. Judah	120
Estate of Mrs. Sarah Judah	842
Harold Kennedy	800
Miss Sybil Kennedy	200
John M. Kilbourn	240
Estate of Mrs. Mary E. King	162
Miss Suzanna Kravit	126
James N. Laing	100
Estate of Duncan Laurie	193
Estate of Frank Laurie	222
William P. Laurie	252
Alan G. Law	230
James A. Law	118
Estate of Joseph Learmont	365
Hon. Rodolphe Lemieux	124
Estate of Charles E. Levey	552
Charles W. Lindsay	160
Estate of Jules E. Livernois	100
Trustees under marriage settlement of Mrs. M. Hazel Longmore	100
Estate of Frederick S. Lyman	168
Walter E. Lyman	294
Henry McCulloch	264
Miss Harriette J. MacDonnell	120
Andrew A. MacDougall	404
Miss Janet F. A. MacDougall	427
Mrs. Mary L. MacDougall	360
William D. MacDougall	370
Estate of Miss Catherine N. Macfarlan	328
Miss Jessie J. Macfarlan	539
Mrs. Margaret F. MacInnes	200
Trustees for Mrs. Margaret F. MacInnes	240
Hugh Mackay	200
Estate of Hon. Robert Mackay	1,200
Estate of Lady MacMaster	300
Mrs. Annie H. Macpherson	120
Trustees for the Macpherson trust	120
Trustees for Sir David L. Macpherson	293
Wm. Molson Macpherson	502
Mrs. Ethel MacTier	133
J. Omer Marchand	179
Joseph T. Marchand	100
Miss Winnifred M. Marler, in trust	100
Reuben S. Marston	600
Mrs. Margaret F. Martin	381
Mrs. Mary Mathias	200
Mrs. Virginia P. Matthews	120
John W. McConnell	1,100
Estate of James McCready	668
Dr. W. L. McDougald	120
Charles S. McEuen	128
Estate of Duncan McIntyre	121
Mrs. Nellie B. McIntyre	100
Estate Miss Alice McLennan	120
Estate Lt. Col. Bartlett, McLennan	364
Francis McLennan	100
Mrs. Gyneth M. McLennan	120
Miss Isabella C. McLennan	152
Estate Mrs. Helen M. McLeod	100
Arthur W. McMaster	100
Harold G. McMaster	100
Ross H. McMaster	200
Mercantile Mutual Fire Ins. Co.	120
Edward G. Meredith	145
Mrs. Elspeth H. Meredith	625
Frederick E. Meredith	132
Estate Sir Vincent Meredith	902
Mrs. Harriet F. Miller	125
Mrs. Harriet F. Miller	162
Estate Frederick W. Molson	382
Lt. Col. Herbert Molson	720
Estate Major J. Elsdale Molson	962
Estate John W. Molson	452
Estate Miss Lillias Molson	152
Miss Mabel Molson	179
Marriage Contract Walter Molson	130
Estate of William A. Molson	716
Montreal City and District Savings Bank	2,988
Montreal Diocesan Theological	120
Montreal General Hospital	318
Montreal Ladies Benevolent Society.	174
Montreal London and General Investors Ltd.	125
Montreal Protestant House of Industry and Refuge	761
Montreal St. Patrick's Orphan Asylum	344
Montreal Trust Co.	150
Montreal Trust Co. Special Account	120
Montreal Trust Co. Special Account	208
Montreal Trust Co. Special Account	103
Montreal Trust Co. Special Account	151
Mrs. Aurea D. Morin	264
Estate of Arthur A. Morrice	120
Estate of David Morrice Sr.	106
Estate of David Morrice, Jr.	120
Robert B. Morrise	102
William J. Morrise	102
Mrs. Verena F. Morris	105
C. S. Moyse	168
Robert E. Moyse	167
Mrs. Barbara M. Munderloh	120
Daniel James Munn	155
Estate Hon. Edward Murphy	100

(Continued on page 12)

Weekly Bank Clearings

	May 5 1934 $	Change year ago %	April 26 1934 $
Halifax	2,295,449	—4.4	1,933,013
Saint John	1,811,039	+6.4	1,664,709
Moncton	655,491	+5.1	759,295
Sherbrooke	668,553	+5.2	527,123
Quebec	3,543,704	—24.3	3,539,613
Montreal	193,339,722	+98.4	81,225,566
Ottawa	4,534,618	—4.1	4,017,653
Kingston	564,038	—1.7	454,508
Peterborough	712,251	+15.9	624,049
Toronto	126,979,669	+17.8	108,090,365
Hamilton	4,279,167	+13.1	3,505,785
Kitchener	1,190,251	+37.4	848,452
Brantford	785,786	+0.2	714,078
London	2,779,243	—7.6	2,340,339
Chatham	442,618	+3.7	428,978
Windsor	2,416,196	+1.8	1,967,854
Sarnia	412,008	+29.0	368,608
Sudbury	704,158	+34.2	632,154
Ft. William	594,521	—2.2	461,092
Winnipeg	92,605,469	+8.7	36,622,974
Brandon	333,640	+6.0	238,196
Regina	2,692,323	—31.8	2,568,889
Moose Jaw	552,002	—0.5	367,151
Saskatoon	1,201,564	+21.9	1,098,754
Pr. Albert	299,918	+17.2	241,764
Edmonton	3,861,082	+9.1	3,374,178
Calgary	4,168,680	—20.7	4,089,010
Medicine Hat	215,409	[illegible]	[illegible]
Lethbridge	423,491	+28.0	330,968
N. W'minster	[illegible]	[illegible]	[illegible]
Vancouver	17,602,337	+36.1	15,246,817
Victoria	1,628,368	[illegible]	[illegible]

£

5%

On Guaranteed Trust Certificates

Safe beyond question and unconditionally guaranteed

Send for descriptive circular without obligation.

THE STERLING TRUSTS CORPORATION

Sterling Tower, TORONTO

READY MONEY WHEREVER YOU GO

You may tour the wide world over with the comforting certainty that ready money will always be to hand when you carry an Imperial Bank of Canada Letter of Credit with you. A letter of credit from this Bank does two useful services. It will be honoured by our Banking Correspondents in every country—and it will secure for you helpful, friendly service wherever you may be.

IMPERIAL BANK OF CANADA

HEAD OFFICE — TORONTO

Capital and Reserve $15,000,000

BRANCHES THROUGHOUT CANADA

"Gentlemen! PICOBAC FLAVOUR IS SOMETHING!"
Mr. PICOBAC Sketched from Life

"I don't care what kind of tobacco a man smokes, I want him to try Picobac and get the flavour.

"Picobac, is a *Burley* tobacco. Perhaps you've smoked some Burley sometime. But if you haven't tried *Picobac* you don't know the half of it.

"Picobac is the *pick* of Canada's Burley crop, grown in sunny southern Ontario. Cultivated and cured according to up-to-date ideas every step of the way. And matured in wooden hogsheads for at least TWO YEARS!

"Picobac flavour is SOMETHING, I'm telling you,—something you'll enjoy.

"Gentlemen, let me repeat what I've said before—Picobac is a mild . . . cool . . . sweet smoke.

"Buy a tin of Picobac to-day and TRY it.

"And, don't forget, you get more tobacco for your money. Good for making cigarettes, too."

NEW SEAL-TIGHT POUCH 15¢

HANDY POCKET TIN 10¢

ALSO IN ½ POUND HUMIDORS

"IT DOES TASTE GOOD IN A PIPE"!

Picobac

Imperial Tobacco Company of Canada, Limited

GROWN IN SUNNY, SOUTHERN ONTARIO

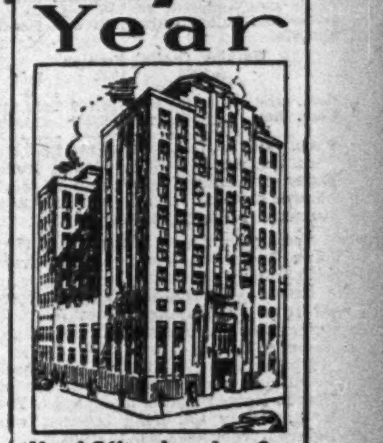
Savings Deposits and Huron & Erie Debentures

1873	$440,000
1883	1,200,000
1893	3,800,000
1903	5,500,000
1913	10,600,000
1923	19,800,000
1933	38,100,000

The Huron & Erie MORTGAGE CORPORATION

Branches in five Provinces

The 70th Year



Head Office London, Ont.

LOOK AT ALL THREE and COMPARE the PRICES

Some people think that Plymouth's many features make it cost more than other low priced cars. Compare the PRICES and FEATURES.

THE INFORMATION contained herein is obtained from reliable sources and is believed to be correct but is not guaranteed	PLYMOUTH SIX	CAR C	CAR F
FOUR-DOOR SEDAN DELIVERED TO YOU			
INDIVIDUAL WHEEL SPRINGING	YES	NO	NO
HYDRAULIC BRAKES	YES	NO	NO
FLOATING POWER	YES	NO	NO
ALL-STEEL BODY	YES	NO	YES
OIL FILTER	YES	NO	NO
AIR CLEANER	YES	YES	YES
VALVE SEAT INSERTS	YES	NO	NO
MAIN CRANK-SHAFT BEARINGS	4	3	3
NO. PISTON RINGS	4	3	3
NEEDLE BEARINGS IN UNIVERSAL JOINTS	YES	NO	NO
OVERALL LENGTH (SEDAN)	181 7/10"	178"	176"

BUILT BY CHRYSLER

When you've looked at all Three Lowest-Priced Cars and Compared the Prices you will realize that Plymouth Quality is within the reach of any Motor Car Purchaser . . . This is the supreme achievement of Chrysler Engineering and Manufacturing Genius

THE new Plymouth Six gives you four vital quality features. Two of them are safety features and two go to give you a smooth ride.

TWO SAFETY FEATURES

Hydraulic brakes, as perfected by Chrysler engineers, are the safest kind of brakes. They are always equalized and prevent three-wheel braking. They operate with a touch of the toe . . . and will stop on a dime!

Plymouth all-steel body, reinforced with steel, is the only kind of body that satisfies a modern-minded motorist. It's the only really safe kind of body. All-steel electrically fused into one shock-resisting whole—it's as modern as a steel bridge or a steel Pullman.

TWO COMFORT FEATURES

Plymouth Independent Front Wheel Springing is the same as used on some of the world's highest priced cars. The long, soft coil springs of specially processed molybdenum alloy steel permit the wheels to "step" over bumps and prevent "back seat bounce".

Floating Power engine mountings are much more than "rubber cushions". They permit the engine to *absorb* its own vibrations. The passenger doesn't feel the engine at all!

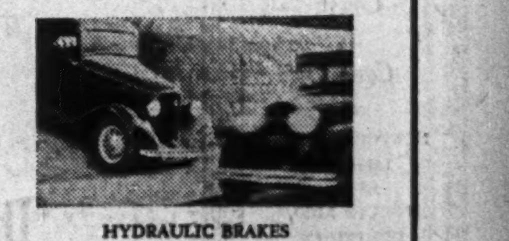
Try and match these features at Plymouth's low price. Certainly—"Look at all Three", but be sure and ride in the New Plymouth Six. Accept your Plymouth dealer's invitation today.

INSIST ON THESE FOUR VITAL FEATURES

FLOATING POWER ENGINE MOUNTINGS

INDIVIDUAL FRONT WHEEL SPRINGING

SAFETY-STEEL BODY



HYDRAULIC BRAKES

PLYMOUTH SIX

DELIVERED TO YOU IN WINDSOR

$778 AND UP

CLAUDE NEON CO. EARNINGS IN 1933 AGAIN CONTRACT

Difficulties Met by Company Reflected in Financial Statement

From Our Own Correspondent

MONTREAL.—Further contraction in earning power is reported by Claude Neon General Advertising for the year ended December 31, 1933.

Gross sales showed a reduction of $1,058,332 as compared with 1932, which, after allowing for the decrease in production costs and drastic economies in controllable expenses, resulted in a decrease of earnings of $256,524 to $8,736.

Credit conditions continued unfavorable during the year and a considerable volume of repossessions was necessary, although a slight improvement has been noted during the last few months. The management reports that a scrutiny of long-term contracts on the books indicate that a further sizeable volume of repossesions will be encountered. In order to provide for losses from this source, further strengthening of contingency and bad debt reserve has been undertaken.

Strengthen Liquid Position

The company's liquid position, on the other hand, shows an improvement as compared with that reported at the end of 1932. Bank loans of E. L. Ruddy Co., which a year ago stood at $95,000, were retired, and the bank loans of the parent company reduced by $80,000, a combined reduction of $175,000.

Particulars of the profit and loss account follow:

	1933	1932	1931
	$	$	$
Earnings	8,736	265,260	578,456
Interest	188,768	199,073	180,950
Deprec.	112,860	116,761	113,973
Balance	d292,891	d50,574	283,633
Pfd. dividends	......	55,010	158,200
Balance	d292,892	d105,584	125,443
To int. res.	......	16,199	95,236
Surplus	d292,892	d121,793	30,197
From int. res.	70,394	......	......
Balance	242,328	698,412	834,364
Deduct†	296,835	233,584	......
P. & L. bal.	d54,507	464,828	834,364

d—Deficit.

† In 1933, adjustments to prior periods, $146,733 and poster and bulletin structures demolished; in 1932 loss on cancellation of liquor sign contracts, $64,888 and loss on poster and bulletin structures demolished, $168,696.

Working Capital Position

	1933	1932	1931
	$	$	$
Curr. assets	1,710,842	2,487,687	2,682,150
Curr. liabs.	544,038	785,883	614,696
Work. cap.	1,166,804	1,701,804	2,067,454

At the end of 1933, Claude Neon General Advertising's balance sheet showed assets totalling $5,950,814, compared with $3,335,869 in 1932.

Among liabilities it was noted that bank loans had been reduced from $489,388 and $314,000.

Reserves of $906,359 were eliminated from the balance sheet in 1933, having been deducted from individual accounts among assets.

Mortgages of $25,549 were reduced to $23,649, while the funded debt of Claude Neon remains unchanged. The E. L. Ruddy Co. bond interest was reduced from $682,500 to $654,900.

No change has taken place in the capital stock issued or in the minority interest.

Write Down Fixed Assets

Among the assets, signs, patents, etc., have been reduced in book value from $4,778,154 to $3,864,682. Equipment shows a moderate reduction at $165,022, while real estate, etc., has been increased from $686,610 to $861,543.

Few changes of interest are noted among the current assets. Cash on hand is increased from $80,471 to $126,771, while accounts receivable have declined from $2,112,606 to $1,319,453.

2 New Branches, 6 Closed April Bank Announcement

Announcement of closing of six and opening of two branches by Canadian banks is made in the bank directory for April.

The Canadian Bank of Commerce opened a branch at Goldbridge, B.C., on April 16, and La Banque Canadienne Nationale opened a branch at Senneterre, Que., on March 6.

The Canadian Bank of Commerce closed a sub-branch at Craighurst, Ont., on April 6. The Royal Bank of Canada closed branches at Airdrie, Alta., (Feb. 28); Earl Grey, Sask., (Mar. 31); Plato, Sask., (Mar. 31). The Bank of Montreal closed its Mexico city branch on April 30, and La Banque Provinciale du Canada closed a branch at Verdun, Que., on April 21.

G. G. McGeer Has Full Day Castigating Money System

Uninvited But Welcomed — Suggests Nationalizing Credit Control in Four-point Programme

Vancouver's G. G., "Gerry," McGeer, K.C., occupied the full time of the House of Common banking and commerce committee at the sitting on May 1. Although uninvited, Mr. McGeer was heard at length, in his exposition of the wrongs in the existing financial system, and his suggestions for its reform. While this was going on, Bill 18, the statute to amend the Bank Act was on the shelf.

Mr. McGeer's principal contention was that administration of banking as it affects the public credit should be nationalized. Creation of a private Bank of Canada with power to issue money, which the government would have to borrow at interest, was characterized as ridiculous.

Mr. McGeer suggested a four-point plan to remedy alleged evils of the Canadian monetary system. The Financial Post continues its summary of the official printed minutes of the committee, starting on May 1:

G. G. McGeer said there is no reason why the system of merchant banking should not be carried on in much the same way as at present; but when it comes to private administration of the public credit, public men should concern themselves in this because it has been badly run. He quoted a resolution adopted in British Columbia to the effect that a national banking system should be established to use governmental credit to sustain purchasing power; to relieve taxation; to relieve unemployment; and to restore prosperity.

Said Mr. McGeer: "By this course we have taken banking and finance out of party politics in British Columbia. Liberals, Conservatives, C.C.F.'s, Socialists, everyone united in endorsing and declaring that the time had come when the public administration of public credit should be adopted as the basis of financing government in the Dominion of Canada."

Mr. McGeer went on to describe Bill 19, the Bank of Canada statute, as sure to result in creation of "the weirdest of all anomalies," and added: "The government with power to create money passes a law creating a private monopoly authorizing it to create money and then goes bankrupt borrowing that money at interest." Is it the economy of a lunatic asylum? he asked.

Mr. McGeer then gave considerable information similar to that which he submitted to the Canadian Macmillan commission on banking and which was reported in The Financial Post. Of Major Douglas he said: "Whether you like the Douglas theory or not, don't make any mistake about it, Major Douglas went out to Japan three years ago and the Japanese listened to everything that he had to say, studied his books and worked out their own application of his theories. Today Japan is managing money and her international trade."

Says Kick Out Bankers

"My submission as a politician," said Mr. McGeer, "is that if we don't waken up to our position and kick these bankers out of control of the money they are going to kick us out of parliament." He described the monetary system in Canada as "a credit racket," and said the Bank of Canada Act proposes to perpetuate the system.

In the last ten years, Canada has produced about $10,000,000,000 worth of real wealth, said Mr. McGeer, yet despite that we are bankrupt. The B. C. Government, he said, "is in a pitiable state of bankruptcy. "There is no remedy in the requested loan of $8,000,000 from the Dominion to the province, he claimed.

"In proposing his remedy, Mr. McGeer commented: "If there is going to be an intermediary power, it must be an expression of an arm of the Government. But in the creation of this monopoly (the Bank of Canada) under the Bank Act you are creating a credit monopoly that has the administration of the affairs of the whole community and it is answerable to neither Government nor people." He suggested a remedial four-point programme as follows:

Four-Point Programme

1. A national banking system controlling the issue of all currency and the monetization and issue of credit transferable by cheque.

2. A department of taxation empowered to prevent excessive accumulation of currency and credit note issue.

3. A department of economy for the regulation and control of all internal trade and commerce.

4. A department of foreign trade for the development, control and regulation of international trade, commerce, currency and credit.

To implement his suggestion, Mr. McGeer submitted a bill that he had drawn incorporating the Bank of Canada: "to manage and regulate the monetary system of the nation and to act as the bank of the government of the Dominion of Canada, of the governments of the provinces and of local government bodies, and also of all public utility corporations; and to provide banking facilities for industry and commerce engaged in the domestic and international trade and other commercial activities of the nation." Under his proposed bill, the Bank of Canada's duty would be "to regulate and control the creation and issue of the nation's purchasing power medium of exchange" and to co-operate "in controlling and protecting the external value of the national monetary unit" and to mitigate "fluctuations in the general level of production, prices, wages and employment;" to promote stability of government, the progress of the standard of living and of the social and economic welfare of the people of Canada.

Expounds Scheme

Said Mr. McGeer: "In this plan that I propose, I take away gold as a security for wealth, and I place the security for all wealth, the purchasing power of money included, upon its real and proper foundation, the going concern activity of your social system." He explained: "You have got to circulate your purchasing power against the destruction of wealth. You have to provide the means by which the consumer can buy and destroy and buy again."

"I would establish a sub-bank in each of the provinces and would see to it that the constitutional rights of the people would not be interfered with," said Mr. McGeer. "I would have those sub-banks correlated with your national banking system; and those sub-banks would perform the same banking service for your provincial governments and your municipal governments that your national bank provides for your national government."

What He Would Do

I would pour out money for everything, said Mr. McGeer. "I would build better schools, better institutions. I would pay men to go to school, and my standard of issue would not be gold, but it would be based on the elimination of unemployment."

You can prevent the disaster of inflation, he said, "by withdrawing credit and currency from circulation, by imposing municipal, provincial, and national taxation."

Under his system, said Mr. McGeer, more business would be created for the merchant banks. Under it, "you can finance government and progress by a judicious issue of public credit," he averred.

I. E. Lawson asked for a reiteration of the four-point plan. Mr. McGeer replied: "The four-point plan consists of, the national bank for the administration of public credit; the taxation for the purpose of controlling circulation and avoiding inflation; economic control for the purpose of avoiding disruption of non-monetary factors, and a department of international trade for the management and regulation of international trade and credit."

CANADIANS OWN 80 PER CENT BANK OF MONTREAL SHARES

(Continued from page 11)

Estate Alex. Murray	228
Estate William Murray	2,582
Wm. Murray	151
Mrs. Frances L. Napier	250
National Breweries	300
National Trust Co.	935
Mrs. Amelia J. Norton	250
Estate of Hon. James O'Brien	750
Albert E. Ogilvie	432
Trustees for Miss Alice H. Ogilvie	340
Trustees for Bartlett Ogilvie	200
Gavin Ogilvie	335
Hugh Ogilvie	200
Wm. W. Ogilvie	505
Marriage Contract A. Paterson	102
Mrs. Bertha Paterson	500
Miss Grace G. Paterson	270
Hugh Paton	500
J. A. Paulhus	100
Leon Payette	100
Mr. Justice G. Perrault	120
Hon. Joseph E. Perrault	102
Miss S. A. Phillips	142
Mrs. Janet T. Pitts	123
George Poulter	171
Estate Col. Hector Prevost	260
Ravendale Inv. Ltd.	142
Henry E. Rawlings	120
Mrs. M. J. J. Raymond	200
Estate of Geo. Reaves	205
Miss Alice E. Redpath	140
Mrs. J. Reford	240
Estate of Joseph Rielle	148
Mrs. Eleanor M. Robertson	247
Mrs. Mary R. Robertson	120
Mrs. Naomi Robin	100
Lady Roddick	600
Estate James Rodger	180
Mrs. Mary S. Rolland	120
Rollo Bay Investments	533
Miss Jessie G. Roy	100
Royal Agencies	240
McGill	1,387
Royal Trust	2,634
Royal Trust	2,419
Royal Trust	129
Royal Trust	100
Royal Trust	123
Royal Trust	1,514
Royal Trust	361
Royal Trust	783
Royal Trust	500
Royal Trust	300
Royal Trust	732
Royal Trust	242
Royal Trust	100
Royal Trust	700
Royal Trust	100
Royal Victoria Hospital	727
Mrs. Evelyn Russell	297
Miss Elisabeth Scott	397
Miss Jean H. Scott	397
Wm. J. B. Seaman	140
Senlac Investments Ltd.	124
Estate Baron Shaughnessy	559
Estate Francis J. Shepherd	120
Silverdale Inv. Ltd.	160
Miss Frances A. Simms	128
Harold H. Sims	100
Charles F. Sise	100
Francis W. Skaife	481
Estate Lewis J. Skaife	130
Mrs. Loulou F. Skinner	150
Mrs. Leba A. Smith	450
Mrs. Margaret M. Snowball	184
Societe d'Administration et de Fiducie	150
Sprucedale Inv. Ltd.	150
St. Andrews Society of Montreal	153
St. Lawrence Sugar Refineries	400
Mrs. Eveline E. Stancliffe	130
Estate H. Morris Stanway	101
Mrs. Margaret Stethem	120
Miss Agnes Stewart	175
Miss Helen Stewart	190
T. Howard Stewart	4,211
Walter M. Stewart	6,410
Mrs. Mary H. Stoker	175
Sun Life Ass'ce Co.	3,100
Arthur Terroux	120
Mrs. Wilhelmina Thompson	150
Alfred H. Thomson	100
Wm. Thomson	115
Tignish Investment Co.	1,141
Estate Wm. H. Trenholme	240
Estate Mrs. Mary E. Tydd	100
Miss Adeline Van Horne	242
Verdun Protestant Hospital	294
Mrs. Ella V. Fitzgerald	307
Mrs. Isabelle Walker	120
David A. Wanklyn	116
Major F. A. Wanklyn	180
Mrs. Louisa C. Warner	130
Mrs. Louisa C. Warner	180
Mrs. Louisa C. Warner (institute)	100
Mrs. Louisa C. Warner (institute)	160
Mrs. E. S. Watson	120
John F. Watson	126
Hon. Lorne C. Webster	138
Miss Annie Wheeler	581
A. B. Whitehead	187
Estate Miles Williams	174
Estate David Williamson	198
Estate Andrew Wilson	154
Mrs. S. M. A. Winslow	115
E. Winslow-Spragge	207
Estate Wm. J. Withal	110
Mrs. Amy I. Wonham	100
Mrs. Aloysia P. Woodcock	240
Percy F. Woodcock	241
Estate Miss Helena C. Wotherspoon	156
Messrs. L. G. Beaubien and Cie.	193
Messrs Gore and Co.	209
W. H. Hickey	118
Durward Ltd.	700

Toronto Registry

Hon. Thomas Ahearn	410
William J. Aitchison, Hamilton	115
Mrs. Constance Archbold, Kingston	117
Miss Jessy I. Boomer	100
John Blenchet, North Bay	100
Thos. E. Bradburn, Peterborough	100
Bradburns, Ltd., Peterborough	261
Thos. W. Bright, Queenston	100
Wm. M. Bright, Niagara Falls	300
Estate Robert Brown, Ottawa	844
Canada Life Ass'ce Co.	601
Canada Trust Co.	100
Capital Trust Corporation	120
Mrs. Susan B. Carswell	100
Mrs. Elizabeth J. Cockburn	200
Mrs. Adele J. Coffin	103
George E. Cook, Toronto	138
Mrs. Louise Curtis	100
Dart Union Co. Ltd.	150
Dominion-Scottish Investment Ltd.	150
Dominion Life Ass'ce Co.	300
Trustees for Emily Douglas	112
Estate William Douglas, Toronto	200
Estate Mrs. Ann M. Egan, Ottawa	230
Miss Beatrice Eliot, Ottawa	111
Miss Marjorie F. Eliot, Ottawa	115
W. E. C. Eliot, Ottawa	110
Mrs. Elizabeth Farley, Belleville	358
Mrs. Charlotte D. Sage, Toronto	158
John B. Fraser, Ottawa	124
John B. Fraser, Ottawa, in trust	144
Mrs. Helen E. Gibbons, Toronto	120
John W. Gilmour, Toronto	125
Estate of Thomas Gilmour, Toronto	128
Mrs. E. M. Hale, Ottawa	103
Mrs. Louisa G. Hale, London	111
Trustees or Mrs. Norma Hall, Arnprior	146
Errol A. Hethrington, Toronto	455
The Imperial Guarantee and Accident Insurance Co., Toronto	150
Ipswich Inv. Ltd., Toronto	120
Harry T. Jaffray, Toronto	284
Mrs. Marjorie F. S. Jones, Toronto	108
Francis H. Kilbourn, Owen Sound	150
George S. Kilbourn, Owen Sound	150
Major E. R. M. Kirkpatrick, Toronto	2,671
Miss Louisa H. Kirkpatrick, Kingston	157
Stafford E. Kirkpatrick, Ottawa	116
Lang Tanning Co., Kitchener	240
Adolph S. Levy, Hamilton	120
Lewis Securities Ltd.	250
The London and Western Trusts Co.	175
London and Western Trusts Co.	640
Charles S. MacInnes, Toronto	100
Miss Lucy C. Macrae	114
Manufacturers Life Insurance Co.	174
Estate of High F. McLachlin, Arnprior	232
Harry S. McNeill, Toronto	336
Major General S. C. Mewburn, Hamilton	150
Mills Bros., Hamilton	120
Miss M. H. Montizambert, Toronto	100
Mrs. E. K. Neeve, Toronto	150
Mrs. Adah C. Peterson, Sarnia	120
C. B. Powell, Ottawa	175
Mrs. A. H. Powell, Rockcliffe	104
Francis X. Plaunt, Ottawa	133
Mrs. F. M. Robertson, Ottawa	110
Mrs. M. L. Curtis, Ottawa	100
Estate Sir H. K. Egan	376
Estate Lady Grant, Ottawa	182
Estate J. G. Snetsinger, Ottawa	383
Royal Trust, Toronto	356
Royal Trust, Toronto	120
Royal Trust, Toronto	280
Royal Trust, Toronto	117
Hon. E. B. Ryckman, Toronto	120
S. Samuel, Toronto	353
Estate of John J. Scott	120
Estate of Mrs. Helen M. Smith, Toronto	350
Horace B. Smith, Toronto	350
Donald M. Spaidal, Gananoque	120
James D. Storie, Oshawa	149
N. Tilley, K.C., Toronto	100
Toronto General Trust	819
Toronto General Trust	452
Estate W. H. Bowlby, Toronto	102
United Church of Canada	171
J. D. N. Waugh, Toronto	300
Miss Louisa C. Wicksteed, Ottawa	145
Messrs Buchanan, Seagram and Co., Toronto	120
Messrs Osler and Hammond, Toronto	104

Halifax Registry

Estate Mrs. Ada L. Barnes, Halifax	120
Estate Wm. Bauld, Jr., Halifax	161
Brookfield Securities Ltd., Halifax	120
Dalhousie College, Halifax	100
J. N. Duffus, Halifax	135
Eastern Can. Savings and Loan Co., Halifax	200
Eastern Trust Co., Halifax	433
Eastern Trust for Sir Wm. Young, Halifax	112
Mrs. Laura McN. Grant, Halifax	117
Halifax Fire Ins. Co., Halifax	285
George R. Hart, Halifax	200
Estate Mrs. Margaret J. Kenny, Halifax	118
Kings College, Halifax	115
Mrs. Charlotte McInnes, Halifax	100
Pine Hill Divinity Hall, Halifax	120
Estate Patrick Power, Halifax	115
School for the Deaf, Halifax	141
Mrs. M. Jean Sinclair, Halifax	296
Mrs. Mary J. Smith, Halifax	136
Sterling Northern Ltd., Halifax	1,148
Daniel Sutherland, Pictou	120

Alberta Registry

Rt. Hon. R. B. Bennett, Calgary	300
Bow Investments Ltd., Calgary	120
H. M. Patrick	100
E. L. Cross, Edmonton	170
E. C. Dobell, Edmonton	360
J. R. Redpath, Pincher Creek	521
McIntyre Ranching Co., Lethbridge	120
David W. Williams, Calgary	120

New Brunswick Registry

Hamilton G. Kitchener, Fredericton	108
T. H. Estabrooks, Saint John	160
Col. Hon. Murray MacLaren, Saint John	120
J. W. Young Smith, Shediac Cape	338

British Columbia Registry

Joseph Adam, Vancouver	200
Miss Kathleen Agnew, Victoria	541
D. James Angus, Victoria	332
Mrs. M. H. Crowe Baker, Victoria	102
Mrs. Margaret Dunbar, Victoria	100
Wm. H. Dunbar, Victoria	220
James Fyfe-Smith, Vancouver	100
Douglas G. Hurly, Victoria	120
Mrs. Grace B. Irving, Victoria	120
Miss Christina McLimont, Victoria	103
Miss Helena McLimont, Victoria	104
Mrs. Lila M. Molson, Vancouver	120
W. Hobart Molson, Victoria	257
Hon. Mrs. E. B. B. Roche, Victoria	216
Charles Strangman, Victoria	132
James A. Wattie, Victoria	150
Wilmar Ltd., Vancouver	178

Manitoba Registry

Estate J. W. Armstrong, Winnipeg	109
Dromore Investment Co., Winnipeg	100
W. J. Christie and W. J. Tupper, Winnipeg	200
W. Hicks Gardner, Winnipeg	349
Great West Life, Winnipeg	200
Mrs. Elleonora C. McDonald, Winnipeg	121
Lexington Securities Ltd., Winnipeg	152
Estate George T. McTavish	158
F. W. Stevens	120
Summit Trading Co.	100
Winnipeg Foundation	601

Macmillan Probe Cost Government Total of $30,953

The Macmillan Royal Commission that enquired into banking in Canada last year cost the Dominion $30,953. In addition, the cost of printing its report was $2,427, all of which has been recovered by sales. This information was recently divulged by Rt. Hon. Arthur Meighen in response to questions by Hon. Pierre Casgrain in the Senate at Ottawa.

Mr. Casgrain's questions with the answers given by Mr. Meighen are as follows:

Q.—What has been the total cost to the government of the Macmillan report? A.—$30,953.

Q.—How much for transportation? A.—$8,435.

Q.—How much for living allowances? A.—No living allowances were paid, only actual disbursements.

Q.—How much for stenographers? A.—$9,061 paid to official reporter and $385 to commission's stenographic staff.

Q.—How much for clerical work? A.—$333.

Q.—How much for printing? A.—The cost of printing the report, not included in the above figure of total cost, was $2,427, all of which has been recovered through sales.

Consume $16,200,000 of Milk

The Quebec Bureau of Statistics reports that 71 cities within the province consumed $16,200,200 worth of milk and cream in 1932.

Conditioned Air

Means Better Work - Better Business - Better Play

BY THE flick of a switch, man may now transform the sticky heat of a scorching day into the refreshing coolness of an Autumn night. The air he breathes is humidified or dehumidified to comfortable healthfulness; cooled; circulated in draftless currents. Frigidaire air-conditioning makes all this possible.

For your private office —Frigidaire air-conditioning means better work, more energy, more comfortable visitors.

For your general office —Frigidaire air-conditioning means more work, happier, healthier employees.

For store, theatre, restaurant — Frigidaire air-conditioning means more business.

For homes, clubs — Frigidaire air-conditioning means pleasanter leisure hours, better sleep.

There is Frigidaire air-conditioning equipment for one room, a whole floor, a whole building. Ask your Frigidaire dealer for figures, or write to Frigidaire Corp., 35 Fraser Ave., Toronto.

True Air Conditioning performs all of these six functions: 1. Cools the air, when too warm. 2. Warms the air, when too cool. 3. Humidifies the air, when too dry. 4. Dehumidifies the air, when too moist. 5. Cleans and filters the air. 6. Circulates the air. You can get Frigidaire equipment that performs any one or all of these functions.

Frigidaire

A Product of General Motors

FRONTENAC OIL RAISE DIVIDEND 20 CENTS SHARE

Comment on Stock Issue—May Do Away With Funded Debt

From Our Own Correspondent

MONTREAL. — McColl-Frontenac Oil Co. has increased the dividend on its common stock from 15 to 20 cents a share quarterly. This places the stock on an annual basis of 80 cents as against the former rate of 60 cents a share.

Announcement of the change in dividend was made by John Irwin, president, at the annual general meeting of the shareholders.

At this meeting, one shareholder criticized the action of the directors in disposing of 50,000 shares of common stock during the year for the purpose of retiring the company's bonds. The criticism was made on the grounds that the stock was sold to Nesbitt, Thomson & Co. at $10 a share, when the stock was selling on the market at $12 to $12.50.

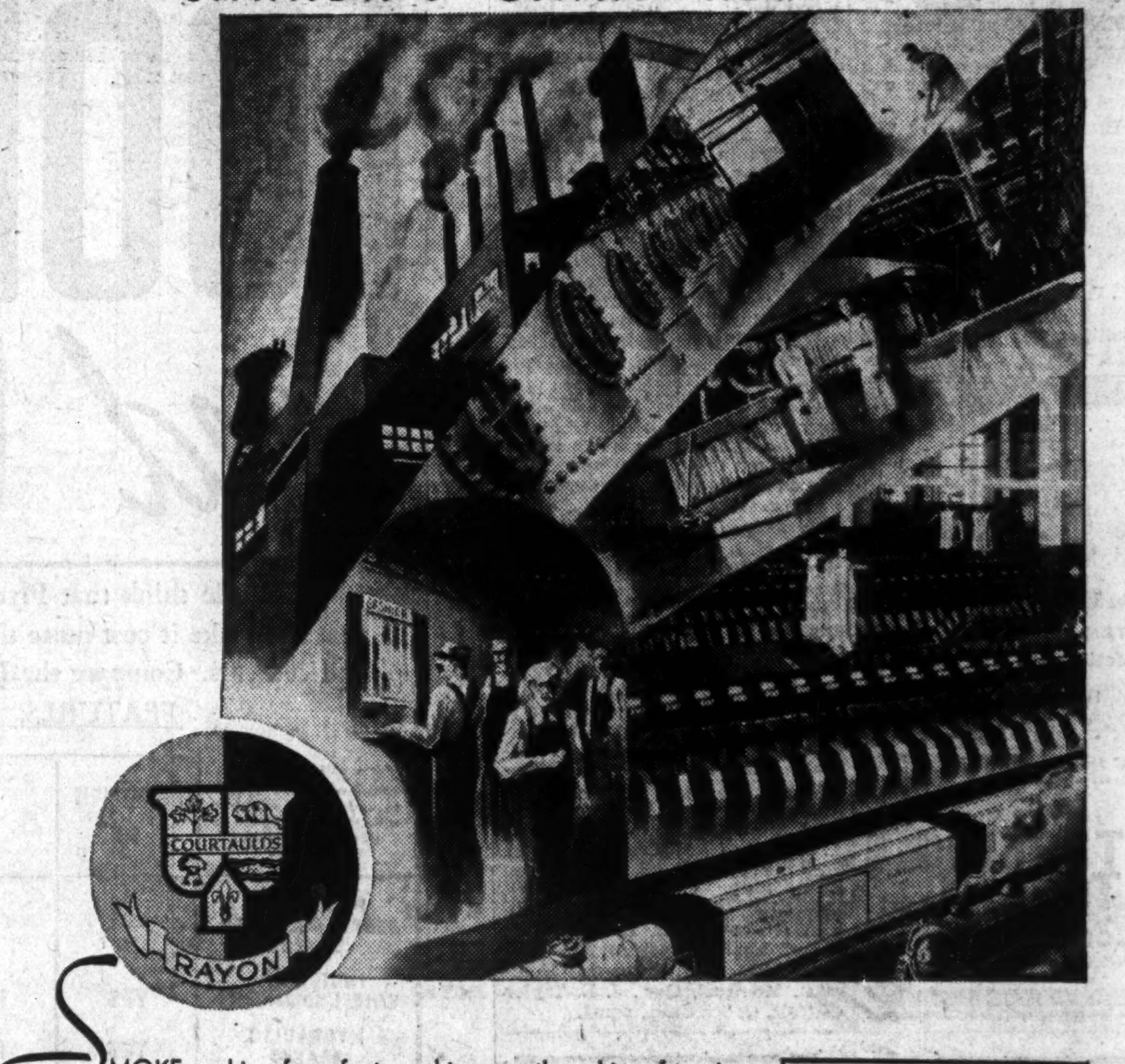
In defending the action of the directors, Mr. Irwin pointed out that the 50,000 shares had been sold to Nesbitt, Thomson when that firm had offered $10 a share when the stock was quoted on the market at $9.50. With the $500,000 received, Mr. Irwin said the company had been able to purchase $520,000 of the company's bonds. Justification of this action was seen in the fact that the bonds have since appreciated in value and were now selling at a premium of 4 per cent.

Possibility of the redemption of McColl-Frontenac's $9,731,500 of 6 per cent collateral trust convertible first mortgage bonds is a probability. In his remarks to the shareholders, Mr. Irwin intimated that this matter had been discussed on several occasions by the directors and "it is hoped that when conditions are right, a plan may be worked out, which will be advantageous to your company, and which will then be submitted to the shareholders."

Cons. Apartments Interest Unpaid Since May, 1932

Consolidated Apartments, operating the Bennett, Redpath, Silverbridge, and Sussex Apartments, Toronto, has reduced the amount of first mortgages on the properties to $260,700 compared with an original amount of $274,000.

By arrangement with the bondholders, the general mortgage 6½ per cent bonds, due 1951, have been changed into income bonds. No interest has been paid on these since May 15, 1932. The general mortgage bonds are now payable only out of income up to 6½ per cent, cumulative. The amount of general income bonds outstanding is $250,000.



RAYON . . . CANADA'S GIANT NEW INDUSTRY

SMOKE gushing from factory chimneys; the whirr of turning machinery; busy workers happy in their thoughts of well-filled pay envelopes; the flow of raw products into factory, and the stream of finished goods out; that is a picture of industry that means prosperity to a country.

Since the founding of its original plant at Cornwall in 1925, Courtaulds (Canada) Limited have presented just such a picture of bustling activity to industry. So much so, in fact, that twice since 1929 have new units been added to the original plant—in 1930 a $2,500,000 addition was erected, and this year a new $2,500,000 addition will be opened.

And, most significant—Courtaulds (Canada) Limited is a 100% Canadian industry. Picture the vast quantities of Canadian lumber, chemicals, and raw materials consumed by this enterprise — the investment in Canadian machinery and equipment — the livelihood given to thousands of Canadians—the contribution made to other industries—and you have a true conception of Courtaulds importance to Canada's economic welfare.

Rayon is one of the outstanding commercial developments of recent years. Its significance and potentiality are just beginning to be felt. Rayon means much to the future of Canada.

COURTAULDS CONTRIBUTION *to Canadian Industry*

Floor area of Courtaulds plant approximately 650,000 square feet, including new unit.

Paid in salaries and wages in 1933—$1,500,000.

Number of employees prior to operation of new unit 1450.

Over $100,000 was paid for electric power used during 1933.

Over 9000 individual electric motors now being utilized.

Purchases of Canadian raw materials in 1933 amounted to $850,000.

Courtaulds (CANADA) LIMITED

PC1

Plant and Head Office: CORNWALL, ONT. Sales Offices: Reford Building, TORONTO. Trade Service Offices: University Tower, MONTREAL

1832 1934

Sound Credit . . .

THE knowledge that sound credit is the life-blood of trade has been a basic guiding principle of those charged with the direction of this Bank throughout its existence of over a hundred years . . . since 1832

World-wide facilities in every department of banking

Coast to Coast in Canada

NEWFOUNDLAND, JAMAICA, CUBA, PUERTO RICO, DOMINICAN REPUBLIC

NEW YORK, CHICAGO, BOSTON, LONDON, ENGLAND

The BANK of NOVA SCOTIA

OVER A CENTURY OF BANKING SERVICE

33-8

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, MAY 12, 1934 | 10c a Copy; $5.00 a Year | No. 19

French-Canada Market in Quebec Has Rich Opportunities

Knowledge of French-Canadian Character Pays Sales Manager

Marketing Problems Are Not Insurmountable

NEED SYMPATHY

He Who Would Sell in French-Canada Must Know Customer's Mind and Habits

There are deplorably few in Canada who speak French as well as English and fewer still who can think in both languages. Failing this dual accomplishment, which to their credit is an achievement of many French-Canadians, the individual who would sell to the French-Canadian market must concentrate his efforts on obtaining a fuller knowledge of the customer's mind and habits.

French-Canada is one of the richest and most concentrated markets in Canada. Nearly 33 per cent of the Dominion's population dwell in Quebec; and this 33 per cent constitutes one of the most stable and reliable bodies in the national purchasing power. National distributors cannot afford to pass by this market, but many of them in the past have done this unwittingly by ill-advised policies, poorly-directed advertising campaigns; in short, through their failure to recognize the outstanding characteristics of this great section of Canada.

Create False Impression

Result of some of these failures has been to build up a false impression of the difficulties which may be encountered in selling in the Quebec market. Because a manufacturer has adopted a wrong method in approaching his market does not mean that selling in Quebec is fraught with difficulties. In fact the very opposite is true; given a right understanding of the French-Canadian viewpoint a distributor will find himself established firmly in the minds of a great community which spends money freely and whose annual income probably varies less than any other section of equal size in Canada.

Own Kind of Thrift

It is generally stated that the French-Canadian is thrifty, a word which is often sadly misused. Thrift is sometimes confused with a miserly, tight-fisted instinct, but the French-Canadian is thrifty in the purest sense of the word. If he sees what he needs and is convinced that the article in question measures up to his requirements he will buy quickly and will spend lavishly.

Centuries of fighting for and living in a new world have left a certain mark on the French-Canadian character. In Quebec there is a large rural population which has tilled the same land for 300 years. Unlike the western farmer he does not work to make large profits quickly. Farming is his life's business, his father's before him and his son's after him. Some have left the land for the business centres where they have reaped large profits from successful enterprises but to some extent they have retained those characteristics which were imprinted on them in the earlier centuries.

Must Know Market

Mere words alone, especially poorly translated from English advertising copy, find little sympathy in the French-Canadian mind. The sales manager must penetrate deeper; he must know his market and the mind of his man before he can sell comprehensively. Some of the English advertising copy which has appeared in French in Quebec does not even make sense. The school boy's translation of "Et tu Brute" into "And you, you brute," dwindles into insignificance with some of the efforts which have appeared in French-Canadian papers. These are instances, of course, of purely blatant mistakes, of money wasted yet they have occurred frequently in the past.

Even a correct translation into French will not suffice as a rule. A knowledge of the customer's mind must be conceived before effective advertising copy can be prepared; through that knowledge is obtained a vision of the true value of the market.

Reward Proper Study

It is equally true to say that much progress has been made in realizing this situation. The large number of nationally known manufacturers and distributors firmly established in Quebec is ample evidence of the fact that a proper study of the market has been made and fully rewarded. But it is also true to say that there are still those who make sporadic attempts to sell French-Canadians with insane campaigns which are practically meaningless and which represent merely a waste of money and energy. And so arises the story that the market presents great problems to the distributor.

One of the largest chain store executives in Canada, with several hundred units operating in Quebec states that the French-Canadian buying habits do not present any particular problem, if weight is given to one or two features which are not encountered in associate branches in English-speaking provinces. Departmental stores do a large direct and mail order business. Volume of their sales runs into tens of millions of dollars every year. Competition is very keen and the bid for the French-Canadian trade is pushed to the limit.

"Don'ts" to Keep in Mind

Though it is dangerous to make broad statements in connection with any individual market it is

(Continued on page 14)

Quebec Electricity Output Sets Record

Output of electricity generated in Quebec during the first quarter of 1934 was substantially ahead of the same period in 1933 and set up a new all-time record for the first three months of any year. Production totalled approximately 2,500,000,000 kw.h., compared with about 2,200,000,000 kw.h. for the first quarter last year.

The remarkable showing of Quebec's water power industry this year is a direct reflection of greater industrial activity and, at the same time, increasing consumer demand. Particularly notable have been the gains in newsprint manufacturing, metallic and non-metallic, while other industries have shared to a lesser degree.

POWER FIELD OFFERS RICH SALES OUTLET

Impressive Growth Reported by Industry

BIG MARKET SEEN

Greater Use of Electrical Appliances Regarded as Foregone Conclusion

Quebec represents an outstanding market for electrical appliances and allied lines. Due to the availability of large water power sites within easy transmission distance of urban and manufacturing centres, the water power industry in the province has expanded at a rate unequalled in any other area on the continent.

From 1915 to the end of 1933 water power installations increased from 803,786 to 3,493,320 h.p. Early figures on the capital invested in the industry are not available. From 1925 to 1933 the investment advanced from $225,333,339 to $574,953,411, an increase of well over 100 per cent.

Other major indices of progress in the water power industry have kept pace. The kilowatt hour output in 1925 amounted to the impressive figure of 4,044,502,000, but six years later the even more impressive figure of 9,627,615,000 kw.h. was reported. Revenue of the industry, in a like period, advanced from $22,764,898 to $44,720,404.

Demand From Industry

In considering the electrical market in Quebec, two phases call for comment. To date the principal stimulus to development has been the demands of industry. The exploitation of the province's natural resources, more especially forestry and mining resources, has necessitated making available large quantities of low cost power in order to place manufacturing on an economic basis. The pulp and paper industry, for example, has been responsible for the installation of more than 1,000,000 h.p. Yet other industries have contributed in building up a power load for the central electric stations.

At the end of 1932 the Dominion Water Power and Hydrometric Bureau, estimated that Quebec manufacturing industries utilized 1,480,415 h.p. of power, of which 77.89 per cent was electric power. The total electric motor capacity was 1,153,150, of which capacity 1,037,504 h.p. was operated by purchased power and the balance generated in the industries.

Long-term Outlook Good

For the time being the central electric stations in Quebec have sufficient primary power to take care of the needs of manufacturing industries. The growth was temporarily halted by the depression, but over the past six months demand has steadily mounted and prospects now are that before long the water power industry can justifiably go ahead with the installation of more equipment.

The market for water-wheels, turbines, generators, switching equipment, etc., for the production of electric energy does not appear too favorable, therefore, in the near future, but the long-term outlook is hopeful.

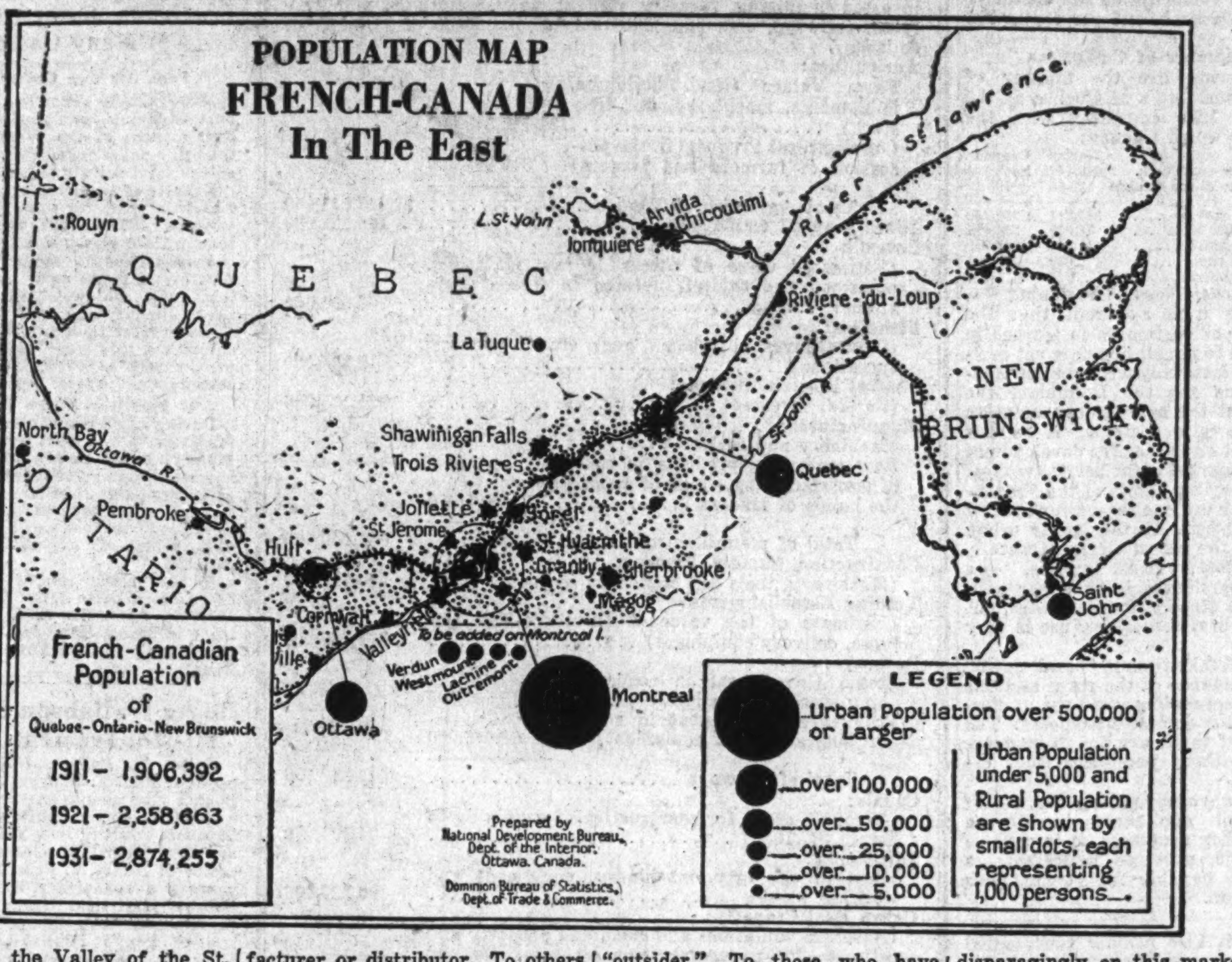
Domestic Market Promising

Marketing possibilities in Quebec water power industry in the immediate future would appear to lie in the extension of transmission and distribution lines, and the development of the domestic appliance market. Extension of distribution lines, of course, depends very largely upon the building up of a greater load for domestic services, but in view of the fact that the average consumption in the province is appreciably less than that in other areas well supplied with water power, it would appear that this field has tremendous possibilities.

At the beginning of 1933 Quebec reported 385,211 domestic power consumers. This was equivalent to 13.26 per 100 of population and

(Continued on page 14)

Largest French-Speaking Market Ex-France



POPULATION MAP FRENCH-CANADA In The East

Prepared by National Development Bureau, Dept. of the Interior, Ottawa, Canada. Dominion Bureau of Statistics, Dept. of Trade & Commerce.

Lying in the Valley of the St. Lawrence River and spreading over into New Brunswick and Eastern Ontario is a market of nearly 3,000,000 French-speaking people, whose annual purchases run into many hundreds of millions of dollars. In many ways it is a neglected market for the English manufacturer or distributor. To others it has only been partially cultivated. The French-Canada market presents many difficulties to be overcome before a product can be firmly established. Language, temperament, difference of appeal, inherent thriftiness, etc., are only a few of the problems facing the "outsider." To those who have made a careful study of the market and its possibilities; have made their sales plans with a sympathetic understanding of a people speaking and thinking in French, French-Canada has well repaid their efforts. In the past there has been too great a tendency to look disparagingly on this market. In more recent years manufacturers and distributors faced with the necessity of holding and enlarging their sales have come to look with new interest on French-Canada — a market of nearly 3,000,000 people with a spending power in excess of $1,000,000,000 annually.

FRENCH-SPEAKING POPULACE NUMBER NEARLY 3,000,000

Provide Important Market for Distributor and Manufacturer

Nearly 3,000,000 of Canada's 10,500,000 people are French-speaking or of French origin. Obviously a complete coverage of the Canadian market is not possible without catering to this class of people.

This large number of Canadian people make their home in an area of about 100 miles north and south of the St. Lawrence River. This area, of course, does not cover all of Canada's French-speaking population, for an examination of the returns show that many French-Canadians are to be found in the Ottawa Valley and Eastern Ontario, New Brunswick, Manitoba and elsewhere.

The distributor interested in French-Canada can secure a 90 per cent coverage of the market by concentrating his sales efforts on Quebec.

Growth of Population

The statement that the French-Canada market is a growing one can be easily substantiated by an examination of the census returns. Between 1881 and 1931 the urban population of Quebec increased six-fold, while the rural population held its own, making for an aggregate increase of more than 100 per cent in population over the past 50 years.

The last Dominion census gave Quebec a population of 2,874,255, of which number 1,813,606 were residents of cities, towns and villages, while 1,060,649 were located in rural areas.

	Urban	Rural	Total
1871	......	......	1,191,516
1881	311,104	1,047,923	1,359,027
1891	499,715	988,820	1,488,535
1901	654,065	994,833	1,648,898
1911	966,842	1,038,934	2,005,776
1921	1,322,569	1,038,096	2,360,665
1931	1,813,606	1,060,649	2,874,255

Majority French-Speaking

As the original establishment of the province was undertaken by French colonists, it is only natural that a majority of the Quebec people today should be of French origin and French speaking. The 1931 census showed that of the 2,874,255 people in the province, all but some 600,000 were of French racial origin. One third of the remainder are of English descent and 108,000 of Irish descent. The Scottish are well represented with 87,300, while the balance is made up of many diverse nationalities.

A survey of the principal racial origins of Quebec's population, according to the 1931 census, follows:

(Principal Ones Only)

English	234,739
Irish	108,312
Scottish	87,300
French	2,270,059
Hebrew	60,087
Indian	12,312
Italian	24,845
German	10,616
Greek	2,466
Polish	9,534
Russian	3,574

Montreal Well in Lead

Montreal is by far the most important urban centre in Quebec, having a population of 818,577 as against 618,506 in 1921. It is the largest city in Canada. These figures, of course, do not include the greater Montreal area. If the surrounding municipalities are taken into consideration, greater Montreal area has a population of over 1,000,000.

An idea of the growth of Quebec's urban population is seen in the fact that between 1921 and 1931 the number of cities with populations of over 10,000 increased from 12 to 19.

Particulars of the population in the principal towns and cities in Quebec follow:

	1931	1921
Montreal	818,577	618,506
Quebec	130,594	95,193
Verdun	60,745	25,001
Three Rivers	35,450	22,367
Hull	29,433	24,117
Sherbrooke	28,933	23,516
Outremont	28,641	13,249
Westmount	24,235	17,593
Lachine	18,630	15,404
Shawinigan Falls	15,345	10,625
St. Hyacinthe	13,448	10,859
Chicoutimi	11,877	8,937
Levis	11,724	10,470
Valleyfield	11,411	9,215
St. Johns	11,256	7,734
Joliette	10,765	9,039
Thetford Mines	10,701	8,272
Granby	10,587	6,785
Sorel	10,320	8,174

25 Reasons for Pushing French-Canada Market

1 French-speaking population of Canada, centred in Quebec number close on to 3,000,000, or, about 30 per cent of the Dominion's population.

2 Quebec buys each year nearly $800,000,000 worth of goods over and above those produced within the province.

3 Quebec's newsprint industry is larger than that of any other province.

4 The water power industry of Quebec is larger than in all other provinces. In kilowatt hour production the industry is far in the lead, but revenue is less than in the neighboring province of Ontario owing to sale of large blocks of industrial power.

5 The cotton textile industry is more extensive in Quebec than in other provinces.

6 Canada's silk industry is concentrated in Quebec province.

7 Quebec ranks third among the mineral producing provinces of the Dominion; gold production second to Ontario.

8 Quebec stands second among the manufacturing provinces with an output valued at $668,417,093 in 1932.

9 Quebec accounts for about one-third of the Dominion's sawmill production.

10 The Eastern Townships of Quebec produce more asbestos than any other area in the world.

11 Quebec accounts for most of the tobacco products produced in the Dominion, including cigarettes, cigars and cut tobacco.

12 By far the largest proportion of Canada's clothing is made in Quebec.

13 More boots and shoes are manufactured in Quebec than in any other province—60 per cent of the Dominion total.

14 Quebec is the centre of the Canadian real and artificial silk industries.

15 Quebec produces more than one-third of all the paints and varnishes manufactured in the Dominion.

16 More beer is produced in Quebec than in any other province of the Dominion.

17 Automobile registrations in Quebec are only exceeded in number by those of Ontario.

18 Quebec ranked second as the principal market for radio sets in 1932.

19 Quebec ranked fourth in per capita income during 1933. Considered on a family basis, the province was well to the fore.

20 Ordinary life insurance sales in Quebec in 1933 were second to Ontario from the point of view of dollar value.

21 Quebec ranked second among the provinces in new construction last year.

22 Individuals in Quebec paid $8,943,473 in income taxes during 1932.

23 Bank debits in Quebec last year totalled $8,474,000,000, compared with $7,766,200,564 in 1932.

24 Retail sales in Quebec, according to the 1930 census, amounted to approximately 25 per cent of the total for the Dominion.

25 Montreal and Toronto are practically on a parity as the principal wholesale centres in the Dominion, the former reporting sales of $669,455,200 in 1930 and the latter $676,651,000.

Quebec Farm Market Exists For Facilities

Farm facilities in Quebec are relatively fewer than in other provinces of the Dominion. This is primarily due to two factors. First is the fact that the average French family on the land is appreciably larger than in the English-speaking provinces, so that the necessary man-power is available to carry on operations without the need of mechanical means. Secondly, there is the hereditary caution of the French-Canadian farmer who does not want to adopt new ideas without being absolutely convinced of their necessity.

The French-Canadian farmer represents a rich market for the producer of farm implements or farm facilities. Certain traits will have to be broken down by the distributor, but in comparison with other provinces it is only too apparent that the farms of Quebec are far from being mechanized or supplied with those facilities which many farming communities regard as desirable.

Survey of Equipment

During the 1930 census, the Federal Government took the opportunity to collect information on farm facilities. While the figures secured are subject to revision and possibly do not show the whole picture, they are of value to the sales manager indicating the extent to which certain farm equipment is used in Quebec province.

	No. in use
Automobiles	26,877
Trucks	5,152
Tractors	2,417
Binders	42,944
Motors—gasoline	36,251
Motors—electric	3,311
Threshing machines	39,575
Cream separators	90,008
Milking machines	827
Silos	6,175
	Farm homes Equipped
Gas and electric light	19,074
Radio	8,618
Telephones	26,464
Running water in kitchen	43,452
Running water in bathroom ...	11,170

Nearly 30% of Canada's Population Speak French

Proportion of individuals in Canada able to speak French at the last census was distributed as follows: British Columbia, 5.41 per cent; Alberta, 7.44 per cent; Saskatchewan, 7.38 per cent; Manitoba, 9.40 per cent; Ontario, 9.66 per cent; Nova Scotia, 11.70 per cent; Prince Edward Island, 14.37 per cent; New Brunswick, 31.3 per cent; Quebec, 85.57 per cent; and Canada, 29.89 per cent.

New Building Recorded

Building permits awarded in Quebec province last March had a value of $302,000, or roughly one-third of the Dominion total. This figure is exclusive of construction contracts which totalled $1,768,000.

QUEBEC MINING SPENDS MILLIONS ON NEW WORKS

Both Non-metallic and Metallic Properties Expanding

Quebec's mining industry has received marked stimulus in the past four years, especially in the metallic field. The non-metallic field, of course, has been a profitable source of new wealth for many years back. The expansion of the former, however, is of comparatively recent origin and results achieved to date at the expenditure of several million dollars on exploration and development work have led to the firm conviction that Quebec mining has entered a new era of importance.

For many years the Eastern Townships of Quebec was the principal mining area of the province. There were found large quantities of various non-metallic minerals, principally asbestos for which the province has long been the world's principal source of supply.

Asbestos was long regarded as Quebec's only mineral of any importance. Other mineral deposits had been found and developed, but over several decades nearly all of the new mining wealth came from the asbestos properties in the Eastern Townships.

Have Proved Theory

The belief existed for long that the same geographical formation that made Northern Ontario famous as a mineral producing section, should extend into Quebec. It was inconceivable that an imaginary provincial boundary line would cut off the rock formation. In the early post-war years active work was carried out in North-western Quebec and the now famous Noranda mine was brought into production.

Noranda was and is essentially a copper producer. Other companies entered the field. Millions of dollars were spent on exploration work and supplies and a number of new mines were discovered.

Gold Price Helps

The work carried on at Noranda and other properties was primarily for the purpose of extracting base metals from the ore. Copper was found in abundance. All went well until the depression knocked the bottom out of the base metal market and further exploratory work had to be abandoned as the price of copper and other base metals did not make it worthwhile to carry on.

There the matter rested until the price of gold went off its old standard of value and sold at a substantial premium. For years Noranda had been extracting small quantities of gold from the copper ores. When gold increased in value efforts were concentrated on securing a larger percentage of gold.

Several gold prospects, notably Siscoe, Greene-Stabell, Beattie, Granada, and others rushed development work and brought their mines into production.

Meant Much to Province

The new capital made available by Quebec's rapidly growing mining industry and the amount of money spent on exploratory work has made this province one of the more attractive markets for mining equipment.

Just what the Quebec mining industry means to the province as a source of new wealth is apparent from the following figures:

1900	$ 2,546,076
1905	3,750,300
1910	7,323,281
1915	11,765,873
1920	28,392,989
1925	28,824,912
1930	41,158,740
1931	35,778,364
1932	25,626,466
1933	26,255,341

Widening of Markets Focuses Attention On French-Canada

Many Distributors Neglect Proper Cultivation of Area

SOME PROBLEMS

Sympathetic Approach Helps Overcome Difficulties to One of Canada's Richest Markets

Returning confidence in the business situation and the desire of manufacturers and distributors to rebuild markets for their products have drawn renewed and increasing interest to the potentialities of the French-Canadian market, or more generally speaking, Quebec Province.

The French-Canada market in Quebec absorbs almost one quarter of Canada's retail sales volume. In dollars and cents this means a market of close on to $800,000,000.

The experience of merchandisers in the Quebec market has not always been favorable. This has been due to a lack of proper appreciation of the problems to be overcome and the difficulty of English-speaking and thinking distributors to "sense" the Quebec market, where the great majority are French-speaking and French-thinking buyers.

Must Consider Area

But a market of such an extent cannot be overlooked by the manufacturer and distributor who wishes to achieve national distribution for his products or even a fair share of the total market offering to his product in the Dominion.

In the past the English distributor has been inclined to regard lightly the French-Canada market. This has not been due to any lack of appreciation of the market's buying power—a population of nearly 3,000,000 people cannot be overlooked—but largely because of the difficulties experienced by many manufacturers in "breaking" into the French-Canada market.

Under present day conditions the manufacturer or distributor cannot afford to overlook the Quebec market with its predominant French-speaking population. Difficulties may be in the way but the necessity of securing additional business through the enlargement of sales area, or the more intensive cultivation of a market, makes it imperative that a determined attempt be made to secure a foothold in French-Canada.

Some "Problems" Seen

Two phases stand out when the distributor first surveys the French-Canada market. First is the matter of a proper interpretation of the statistics available on his market, and, secondly, the question of advertising. In the first category many distributors have been misled by the apparent limited purchasing power of the individual in Quebec. They fail to give these figures more than a passing study and seldom give consideration to the all-important matter of family life in Quebec.

Children Big Factor

The number of children in Quebec is a definite factor to be considered when viewing various factors in regard to that market. Latest figures show that the average number of children in a Quebec family is 3.58 compared with the Dominion average of 2.99 and on the difference between those two figures depends a host of important matters.

Keeping this in mind an entirely new light is shed on the business of breaking up statistics pertinent to the Quebec market for it is these children which make statistical figures deceive when the Province of Quebec is considered.

Statistics relative to Quebec should be calculated on a per family basis rather than on a per capita basis. On the latter basis consideration is only taken of the number of individuals be they old or young. Obviously with a higher percentage of children in Quebec statistics are immediately thrown out of gear in making comparisons.

Question of Wealth

To elaborate: take per capita wealth. In Ontario it is $3,063, in Quebec it is only $2,759. Remember, however, that these figures are taken on a count of heads, otherwise the deduction might be made that the French-Canadians are poor prospects in a sales campaign. Now take the figures on a per family basis and the true picture will appear. As the average number of persons per family in Ontario is 4.30 whereas it is 5.34 in Quebec, the average wealth per family in Quebec is $14,733 whereas it is only $13,170 in Ontario.

Again when the official figures for the total retail sales in Quebec are divided by the total population to arrive at an average per capita purchasing power, children again upset prearranged calculations. The population of children in Quebec is so much greater than in other provinces that a per capita figure does not do justice to the average adult purchasing power in Quebec.

Not Poverty Stricken

Another instance which indicates how this army of children sets statistics to rout may be seen in income tax figures for rural Quebec. These are so small that the popular belief is that Quebec farmers are poverty stricken. But those who know rural Quebec see the picture in its proper perspective. C. E. A. Holmes, student of the province, points out that these low tax returns are not surprising with twelve or fifteen tax exemptions sitting around the table in so many Quebec rural homes.

The last census showed of the 2,311 families in the Dominion hav-

(Continued on page 14)

Quebec Bank Debits Record Healthy Gain

Commercial and financial operations in Quebec this year has recorded a healthy expansion over 1933, judging by the bank debits returns reported to the Bureau of Statistics. For the first three months bank debits aggregated $2,126,000,000. This compares with $1,703,000,000 for the first quarter of last year.

Judging by the trend of debits over the past few months, the volume of financial transactions during the first half of this year is likely to be well over that reported in the first six months of 1933. March bank debits, for example, were between 40 and 50 per cent greater than those for the same month last year.

RETAIL SALES FOR QUEBEC AT HIGH MARK

Federal Survey Gives Total for 1930 of $725,000,000

OVER 43,000 OUTLETS

Wide Variety of Business Offers Advantages to Distributors to Build Up Sales

Quebec represents a merchandise market of nearly $800,000,000 annually. And if one considers the number of other French-speaking buyers in other parts of the country and also takes into consideration the manufacture and distribution of various necessities within Quebec, it is safe to assume that the French-speaking population of Canada offers a market for over $1,000,000,000 of merchandise annually.

Unfortunately it is not possible to give concise details of all the items going to make up this impressive figure. It is possible, however to provide detailed statistics on the Quebec market, thus enabling the manufacturer or distributor to gain a comprehensive idea of the extent of the French-Canada market.

Sales Total $725,000,000

During 1930 the Dominion Bureau of Statistics made a survey of the Quebec merchandise market. The Bureau, in its detailed report, shows that the value of retail merchandise sales in 1930 reached a total of $667,000,000. In addition receipts of service establishments were over $59,000,000 and the grand total spent on goods and services in that year was in excess of $725,000,000.

To anyone scanning the French-Canadian market these figures are of tremendous import. For the first time the government has made available figures which show the trend of merchandising in the province and an examination of these records brings to light many interesting facts for those interested in sales activities in Quebec.

Big Retail System

Information for 43,858 establishments had been consolidated in the summary figures (many of which are referred to elsewhere in this issue) which reveal the fact that nearly 100,000 persons were employed in retail trade and that their salaries and wages for the year amounted to close on to $95,000,000.

The most important merchandise group, both in number of stores and amount of business, was the food group which had 14,508 establishments doing a business of $188,269,200. The sales of grocery stores were $102,407,600 and those of meat markets $40,983,000. In addition to the sales given in the food group, the bakeries and dairies which reported had retail sales of $15,239,689.

The general merchandise group was second in amount of business with sales of $147,100,800. Department and general stores with sales of more than $100,000 did a business of $68,344,700 and general stores with groceries sold goods to the value of $49,787,600.

Market is There

Sales of $71,108,200 were reported for the automotive group, in which 340 automobile dealers reported $43,446,100 sales, 705 filling stations $8,622,900 and 1,146 garages (which also sell gasoline and oil) did a business of $16,724,200.

In the apparel and clothing group, there were 3,037 stores which did a business of $57,807,200.

Women's ready-to-wear stores reported $9,646,800 and men's clothing and furnishing stores $8,207,700.

Shoe stores had total sales of $10,517,700.

The lumber and building materials group came next in volume of business with total sales of $31,287,500.

The 494 hardware stores reported sales of $14,806,500 and 167 dealers in lumber and building materials $12,024,400.

In the furniture and household

(Continued on page 14)

TEXTILE TRADE OFFERS MART MANY ITEMS

Industry Spends Nearly $20,000,000 Yearly on Supplies

IMPORTANT FACTOR

Textile Plants Have Big Place in Economic Life of French-Canada, Survey Shows

Millions of dollars worth of materials are bought annually by the textile mills located in Quebec, while many millions more are distributed in the form of wages and salaries to workers. Without doubt the textile industry exerts a powerful influence on the buying power of the people in the areas in which plants are located, while manufacturers of textile equipment or materials used in the process of manufacture cannot cover the Canadian field without devoting the greater part of their efforts to the Quebec industry.

Roughly speaking about one-half of the textile plants in the Dominion are located in Quebec. Considered on the basis of output the position of the Quebec mills stands out even more prominently. The largest plants are located in the French-Canadian province and the policies established by the companies in this area very largely determine those for the balance of the industry.

Spend $20,000,000 Annually

Many millions of dollars have been invested in plant and equipment, while employment is provided for more than 10,000 textile workers. The annual outlay on the purchase of raw materials and supplies runs around $20,000,000. Some of these purchases are set forth hereunder:

Cotton:	
Raw, lbs.	89,726,163
Linters, lbs.	706,721
Fabrics:	
Cotton, grey & unbleached, yds.	52,314,386
Cotton, not specified, yds.	1,632,687
Cheese cloth, yds.	2,023,697
Surgical gauzes, yds.	1,649,113
Artificial silk, yds.	101,665
Canvas, yds.	928,345
Yarns (bought):	
Cotton, lbs.	6,520,927
Artificial silk, lbs.	924,310
All other, lbs.	164,107
Thread, rubber, lbs.	198,566
Cotton waste, lbs.	7,984,612
Feathers and down, lbs.	47,354
Kapok, lbs.	48,999
Starch, lbs.	4,373,281
Size mix, lbs.	1,960,487
Dyes and colors	$1,086,984
Chemicals, oils, etc.	437,125
Spools and tubes	143,716

Keep Plants Up-to-date

Competition, modernization and expansion are continually necessitating additional installations in the mills. Though the present time has called for consolidation of existing facilities rather than any marked extensions, in normal times cotton companies spend largely on plant improvements. A few years ago one of the largest organizations spent over $1,000,000 on completely re-equipping a cotton print mill which represents one of the most modern units in the trade. Another company has just finished rehabilitating its mill, which incidentally is one of the largest single units in the world, at a cost of over one million dollars:

Such expenditures indicate the potentialities of the market. The cotton industry is faced with necessity of keeping down its costs to a level which will enable it to compete with foreign and British imports; the only way it can do so is to maintain production facilities at the highest pitch of efficiency. Thus old equipment must be scrapped as it becomes obsolete; new plants must be built, while each year the greatest volume of production calls for bulky expenditures on raw materials.

Concentrate in One Area

Though the metropolitan centre of Montreal is the location of several mills the greater part of activity is centred in and around the territory known as the Eastern Townships. The section, sometimes called the New England of Canada, does not belie its name. It is a highly industrialized district and for various reasons the cotton industry appears to thrive in it. Plenty of power is available at low cost; labor is ample; there is abundance of pure water, while suitable living conditions in the small towns work to the advantage of the employees.

At Magog, for instance, Dominion Textile Co. has built up a regular community dependent on its cotton manufacturing activities. Plants at this spot support over 1,600 individuals while the print works give employment to an additional 750 people. Sherbrooke, Drummondville, St. Hyacinthe and other towns are well known for their textile operations; and in normal times purchasing power of cotton mill employees plays an important part in general business of the community.

Many Silk Mills

Aside from cotton manufacturing, however, Quebec is famous for its numerous silk mills. In recent years the Quebec market has been an enormous purchaser of raw silk together with complementary materials for its manufacture into the finished article. Many new plants have been erected as demand for silk, combined with low prices, has stimulated production to new high levels.

Throughout the Eastern Townships, again, may be found numerous silk mills. Belding-Corticelli, leading silk producer in the Dominion, has establishments in St. Hyacinthe, Coaticook, St. Johns, as well as Montreal. The same factors which appeal to the cotton manufacturers draw the silk companies to Quebec; and particular attention should be paid to this industry in any investigations into the potentialities of the French-Canadian market.

Canadian Celanese Ltd., operates the only celanese plant in Canada at Drummondville. In recent years productive capacity has been doubled and the plant has worked night and day as new outlets have been established for its output.

The woollen and knit goods industry is also heavily represented in Quebec. At Sherbrooke is located what is reputed to be the oldest and largest woollen mill in the Dominion, that of the Paton Manufacturing Co. At St. Jerome the Regent Knitting Mills has a modern plant while at St. Hyacinthe, Penmans operates a large factory manufacturing a wide line of knit goods and woollens.

POWER FIELD OFFERS RICH SALES OUTLET

(Continued from page 13)

compares with 16.92 in the neighboring province of Ontario.

Consumption is Low

The average annual bill for domestic service in Quebec in 1932 was $21.31, as against a Dominion average for $26.83. This is relatively low and more so when considered in relation to consumption. The average annual consumption per customer in Quebec in 1932 was only 621 kw.h., while the per capita consumption was 82 kw.h. For the Dominion as a whole the annual average consumption per customer was 1,208 kw.h. and per capita 156 kw.h.

Number of Customers

Following are the number of power customers in Quebec at the end of 1932 compared with the number in all Canada:

	Quebec	Canada
Number of customers	472,446	1,657,454
% of total for Canada	28.50	100.00
Domestic service	385,211	1,357,462
Commercial light	74,076	248,487
Power (small)	11,617	28,942
Power (large)	859	20,593
Street lighting	684	1,970

Market Needs Developing

While it is apparent that the number of customers in Quebec in relation to population does not compare unfavorably with similar computations for the Dominion, the fact that the average consumption per domestic customer is so low makes it clear that the development of this market is far below average.

The thrifty habits of the French-Canadian are one reason for the low consumption. In the larger urban centres the use of electric toasters, percolators, irons, radios, and other appliances is on a par with those in other cities elsewhere, but in the rural areas their use is very limited.

It will take time to "break-down" the resistance of the rural sections to the more widespread use of electricity for domestic purposes. The habits of thrift are not to be overcome without persistent sales effort.

But when comparing the use of electrical appliances in Quebec with other provinces, it is obvious that the province represents a market capable of tremendous expansion.

KNOWLEDGE OF FRENCH-CANADIAN CHARACTER PAYS SALES MANAGER

(Continued from page 13)

safe to say that there are certain merchandising policies which do not find favor with the French-Canadian.

In the first place the group appeal should be used sparingly for the French-Canadians like to be different from one another. They are keenly individualistic and want personal consideration.

The scare appeal, so popular in many national advertising campaigns, is rarely effective in Quebec.

Another "don't" is to avoid the innuendo appeal. French-Canadians dislike hints being made as to the possibility of their being not as particular as they should be about themselves.

Finally there is the high-pressure do-it-now appeal which finds scant sympathy. This type of solicitation leads the French-Canadian to think adversely of something that should be bought immediately. It would seem that this type of appeal tends to irritate rather than sell; possibly another indication of the individualistic attitude.

Others Have Succeeded

The tremendous distribution of goods in Quebec from outside sources is sufficient indication that the so-called problem of marketing in the province is largely mythical. But the basis of success achieved in these many lines rests on a thorough appreciation of the French-Canadian characteristics; once these are assimilated the sales manager will find a receptive market with a strong buying power.

Thus in planning a merchandise campaign it must always be remembered that the French-Canadian speaks and reads in French; attends services in French churches; goes to French schools and universities, amuses himself in French clubs; patronizes French hospitals; speaks French in court and elsewhere because it is his mother tongue and therefore the language with which he is most familiar.

To those who know Quebec such a reminder is superfluous. But to others the point cannot be overstressed and must be held in the back of the mind at all times.

RETAIL SALES FOR QUEBEC AT HIGH MARK

(Continued from page 13)

group 539 establishments reported sales of $18,939,800 .

There were 1,125 units in the restaurant group with a total business of $19,768,200.

Heavy Buyers of Products

The sales for 6,143 other retail stores were $132,892,600. The 628 coal and wood dealers reported sales of $20,479,600 and 670 drug stores did a business of $15,146,400.

The sales of tobacco stands and stores were $7,833,800 and those for jewellery stores $8,391,000.

In the service field the 10,780 establishments which were reported had total receipts of $59,477,300.

The amusement group was most important with 509 establishments doing a business of $11,868,300.

One hundred and fifty-seven movie houses, movie houses with vaudeville, only, had combined receipts of $8,612,000 while 252 billiard parlors and bowling alleys showed a business of $1,428,600.

Chain Stores Active

A survey of the Quebec merchandising field also shows that chain stores do a considerable part of the business on certain lines. Of the 33,078 retail stores in Quebec 28,559 were single store independents and 1,560 single stores in co-operative buying organizations. There were 826 two-store multiples, 257 three-store multiples and 420 units of local chains and branch systems. The sectional and national chains had 1,457 units.

The returns show that for grocery stores (without meat) sectional and national chains did but a small percentage of the total business, while for grocery stores with meats and meat markets with groceries the 396 units sectional and national chain had sales of $18,046,700 out of a total of $59,761,800. Chain stores also did a considerable part of the business for variety stores, shoe stores and filling stations.

Big Entertainment Field

Chain systems were not an important factor in the service field except in the case of the moving picture business. Out of 10,780 establishments, there were 10,572 single independents, There were 108 single independent theatres for which receipts were $2,636,200 and 49 units of chains and local systems with receipts of $5,976,700.

Part of Any Campaign

The foregoing brief survey of the retail merchandising field in Quebec indicates in no uncertain manner that the manufacturer or distributor elsewhere cannot afford to overlook the French-Canada market. The more than 43,000 retail outlets and sales in excess of $700,000,000 annually constitute an integral part of any campaign which purposes covering the Canadian market in a thorough way.

WIDENING OF MARKETS FOCUSES ATTENTION ON FRENCH-CANADA

(Continued from page 13)

ing 12 or more children in the family, no less than 1,440 of those families resided in Quebec. The number of Quebec families having more than five and less than 12 children number nearly 115,000. Purveyors of children's supplies, such as suits, caps, boots and other wear should bear these figures in mind.

Consider Family Life

Family life in Quebec therefore must be considered in surveying the French-Canadian market. These large families tend to keep family ties strongly knitted which in turn finds reflection in various characteristics inherent in French-Canadians. The same force which strengthens family ties also works in communities and permeates the whole province giving rise to the strong individualistic tendencies evident among the inhabitants of the province.

Thus, like their ancestors and their present day cousins in France, the French-Canadians treasure privacy above anything else. They would rather have a shack by themselves than share more luxury with someone else.

After privacy what they crave most is leisure. They have a real appreciation of comfort and the manufacturer who can demonstrate some article which will secure for the prospect more leisure and more comfort will immediately gain interest. These twin brothers comfort and leisure, two individuals which the modern world tends to forget, are still well known to the French-Canadian.

Styles of Living

Of the total population of 2,874,255 in Quebec, 1,813,606 is urban and 1,069,649 is rural. One factor in the family situation as regards urban population is the additional number of wage earners which may well be included under one roof. Cases are seen where the head of a family will have but a small family but nevertheless the household lives exceedingly well. This of course, is due to the fact that possibly five or six of a family of ten are working in offices and earning fair salaries, each putting up his or her quota for the family income.

In such a case the purchasing power of the family is vastly increased and is an instance where the family, as opposed to the individual, must be considered in surveying the Quebec market.

Have Kept Characteristics

The whole situation resolves itself into the fact that the French-Canadians have kept nearly all the characteristics brought along by their forefathers from seventeenth century France. Groups like individuals develop habits which evolve into new characteristics. And as the individual's behavior is largely determined by his habits, so it is with groups.

Matters of Advertising

It is often contended that advertising in Quebec is not as effective as in other sections of Canada. This apparent lack of response from French-speaking consumers may be due to the use of wrong appeals or indifferent ones at least, according to Alfred Des Rochers, well-known expert on French-Canada advertising.

The most important thing to know about prospects is their shortcomings, in order not to use appeals based upon something absent from the prospect's mind.

French people are individualistic, more bluntly, selfish. Next to being selfish, they are stubborn and nonchalant. But with them, in Canada as in France, these shortcomings amount to positive qualities. They prize personal security and liberty, and in the long run, notwithstanding prejudices to the contrary, they are the most practical people in the world.

Lines to be Followed

It follows that the advertising along the following lines appeals only to a fraction of the French population; sense of duty toward the community; being on the level with Jones, and change for change's sake. That does not add to their personal security or liberty and leaves them cold.

Even the fear appeal, now prevalent, falls flat upon them if they are not personally at stake. But the fear appeal may be excellent with them for medicines claiming to cure ailments.

Need Common Sense

To be effective, advertising aiming at a French market must be loaded with common sense. French people are more emotive outwardly, but make much more use of logic inwardly than their co-nationals. They are all words and gestures at first sight, but weigh carefully the pro and con of everything before passing to deeds.

The advertiser who wants to sell the French market must show first that his goods will make life easier, will give more security and liberty, and are well worth the effort of changing a habit.

First Attract Attention

But he should remember French people are nonchalant. The argumentation must be done quickly and directly, otherwise his listener will turn to something else. So the advertiser's problem is one of getting first a favorable attention, then of speaking common sense—briefly, and according to French standard of common sense.

To get the full benefit of his advertising dollars in Quebec, an advertiser must get his advertising made to measure, because the French group is not merely a group of North Americans speaking French, but a self-contained one, as different from the rest as the old country Frenchmen differ from the British. Once this fact is acknowledged, advertising in Quebec will be as profitable as elsewhere, maybe more.

Quebec Owns Quarter Of Canada's Real Wealth

If wealth is any criterion of a market's importance, then Quebec province is well to the fore as one of the major marketing areas in the Dominion. According to the latest survey of the Federal Government, Quebec's estimated wealth is placed at $8,264,513,000. This is equivalent to nearly 27 per cent of the total wealth of Canada.

Urban and farm land values, together with the equipment thereon, naturally bulk largely in such a computation. The following tabular matter shows that these two forms of wealth in Quebec amount to approximately $4,500,000,000. The province's trading establishments are valued at over $300,000,000. Capital invested in mining, forestry, central electric stations, manufactures, railways, etc., runs into several hundreds of millions of dollars.

Agriculture:		
Farm Values (land, buildings, implements, machinery, and live-stock)	$1,133,343,000	
(Agricultural Products in the possession of farmers and traders)	313,698,000	
Total Agricultural Wealth		$1,447,041,000
Mines (capital employed)		146,332,000
Forests: (Estimated value of accessible raw materials, pulpwood and capital invested in woods operations)		706,000,000
Fisheries: (Capital invested in boats, gear, etc., in primary operations)		2,334,000
Central Electric Stations: (Capital invested)		221,135,000
Manufactures:		
Machinery and tools	$439,539,000	
Raw materials, products in course of manufacturing, value of goods in the hands of traders	246,601,000	
Total of manufactures		686,140,000
Construction, Custom, Repairs: (Machinery, tools and materials on hand)		40,711,000
Trading Establishments: (Estimate of the value of furniture and fixtures, delivery equipment)		306,228,000
Railways:		
Steam (investment in road, rolling stock and equipment)	$375,503,000	
Tramways (investment in road, rolling stock and equipment)	67,846,000	
Total of railways		443,349,000
Canals: (Amounts spent for construction of canals up to March 31, 1930)		35,804,000
Telephones: (Cost of property, machinery, equipment and working stock)		60,227,000
Urban Real Property: (Assessed valuations and exempted property and estimate for under-valuation by assessors and for roads, bridges, sewers, etc.)		3,190,295,000
Harbors: (Approximate amount expended to March 31, 1930)		165,173,000
Shipping: (Distribution proportionate to tonnage, including aviation)		54,167,000
Importation: Imported merchandise in store (estimate at one-half imports during the year)		169,125,000
Automobiles: (Estimate of the value of automobiles registered)		105,785,000
Highways, etc.:		52,816,000
Household Furnishings, Clothing, etc.: (Value estimated from production and trade statistics)		376,591,000
Specie: Coin and other Currency held by the Government, chartered banks and the general public		55,260,000
Estimated Total Wealth of the Province of Quebec		$8,264,513,000

SAINT JOHN PORT TRAFFIC INCREASES

Returns for Four Months Exceed All of 1933 in Many Cases

From Our Own Correspondent

MONTREAL.—Traffic through the port of Saint John during the first four months of the current year, in the principal commodities, far exceeded the total for all of last year.

Exports of automobiles and accessories this year, for example, amounted to 48,200 tons as against 20,186 tons in 1933. Newsprint shipments for the four months aggregated 37,982 tons or six times more than those of last year. Pulpwood shipments between January and April were fifteen times greater than for 1933. Lumber shipments this year aggregated approximately 48,500,000 feet, or more than double the total reported in 1933.

Facilities Were Taxed

During the busy winter season the facilities of the port were taxed to capacity. This return to practically normal shipping conditions is regarded by the Saint John Harbor Commissioners as most encouraging and would indicate that recovery from the past years of depression is well assured.

In the comparison of the exports of Atlantic ports from December 1, 1933, to April 21, 1934, Saint John leads in bacon, flour and oats, and is second only to New York in lard and wheat.

Roger W. Babson Sued; Mismanagement Charged

Roger W. Babson, economist, his nephew, Paul T. Babson, and Roy W. Porter were among the defendants in a $62,500 damage suit filed in the Supreme Court in New York last week by Ruth Poor, as executrix of the estate of Henry V. Poor, lawyer. She charges a conspiracy by which the Babson Statistical Organization and the Babson Park Company got control of Poor's Publishing Company after the latter went into bankruptcy.

The complaint alleges that Porter, as sole owner of the publishing company's common stock, caused the company to be operated in such a manner that bankruptcy proceedings were brought in Boston and the company lost $1,000,000 of business as a result. The plaintiff holds that the various steps were taken as the result of a conspiracy to enable the Babson corporations to get possession of the Poor company without the payment of any consideration.

Buy Life Insurance

Sales of life insurance in Quebec during March, 1934, totalled in value $10,675,000, or about one-third of all those reported for the Dominion.

Build Colonization Roads

In 1932 Quebec spent $2,812,675 on the construction of colonization roads in order to bring about the more rapid development of its agricultural lands.

Our Bank is Well Qualified to Serve You

Head Office

WE ARE here to serve your banking needs, and to place at your command the practical co-operation of our entire organization. Whether your needs are local or more extensive, the Provincial Bank of Canada, through its experience, connections, and facilities, is well qualified to serve you.

THE PROVINCIAL BANK OF CANADA

317 Branches and Sub-Branches in Four Provinces.

S. J. B. ROLLAND, President. CHS. A. ROY, General Manager.

L'ACTION CATHOLIQUE

is one of the strongest forces in French-Canada today . . . a vigorous daily devoted to the maintenance of the best French-Canadian traditions of language, culture and religion.

L'ACTION CATHOLIQUE is a leader of opinion—not a follower.

It is a guardian of fair-play—but independent of politics.

Its reading matter is vitally interesting—but not sensational.

It has far-reaching power, influence and authority.

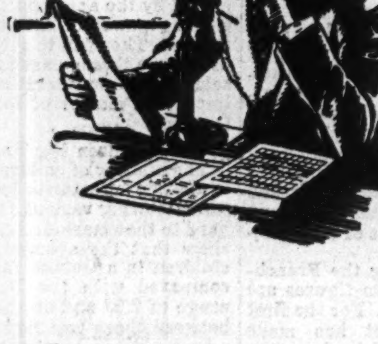
It has a wide-spread circulation throughout Quebec—reaching the French-Canadian home of means and sound community standing.

It has the endorsement and support of the Catholic Clergy whose confidence advertisers must earn.

For these and many other sound reasons, L'ACTION CATHOLIQUE is being bought more and more by careful and discerning national advertisers.

L'ACTION CATHOLIQUE
Quebec City

National Advertising—Douglas McPhee—Castle Bldg., Montreal
A.B.C. Net Paid 22,111



The Telephone speaks FRENCH

The telephone is bilingual. French is as much its native tongue as English. It serves all French-Canada.

In the Province of Quebec alone, there are 230,413 Bell telephones. There are also 32,891 connecting telephones: a total of 263,304, predominantly French.

These telephones are a potent factor in the life of this great community. They are part and parcel of its daily routine. They serve it in emergency; they facilitate business and social communication throughout the vast area they serve.

To reach the Quebec market, effectively and economically, use the telephone. We shall be glad to help you in preparing your sales plans.

CONSOLIDATED MARINE COMPANIES LIMITED

BUSINESS IS BETTER

March and April have been our largest production months since the beginning of the depression.

The quality of our castings is not altogether responsible for our steadily increasing business.

We feel that with the rest of Canada our business reflects the faith that every Canadian has in the solidity of Canadian institutions.

This confidence is undoubtedly responsible for the fact that "business is better."

Manufacturers of manganese and carbon steel castings for wearing parts for mining, quarrying, pulverizing and contractors' equipment.

JOSEPH SIMARD, President
P. H. DESROSIERS, General Manager

Sorel Steel FOUNDRIES LIMITED
SOREL QUEBEC

MONTREAL
Marine Building
1405 Peel St.

TORONTO
Otis-Fensom Bldg.
170 Bay St.

A SUBSIDIARY OF CONSOLIDATED MARINE COMPANIES LIMITED

GENERAL TRUST OF CANADA
Paid-up Capital: $1,105,000

Board of Directors
Hon. J. M. Wilson, *President*
Hon. D. O. L'Esperance, *Vice-President*
Beaudry Leman, *Vice President*

L. J. Adjutor Amyot
Joseph Beaubien
L. E. Beaulieu, K.C.
A. N. Drolet
Sir J. Geo. Garneau
Ernest Guimont, K.C.
Mendoza Langlois
Ch. Laurendeau, K.C.
Hon. J. Nicol, K.C.
Hon. J. E. Perreault, K.C.
Hon. Donat Raymond
Leo G. Ryan
Hon. Geo. A. Simard
C. E. Taschereau, N.P.
Arthur Terroux

Rene Morin, *General Manager*
Louis Trottier, *Treasurer*

Testamentary Executors
Trustees
Liquidators
Administrators
Financial Agents

112 St. James St.
MONTREAL

71 St. Peter St.
QUEBEC

THE HUNTER'S FRIEND

Ayers Indian Chief Point Blankets
Famous among Sportsmen Everywhere

Proof against cold, and almost waterproof, Ayers famous Indian Chief Point Blankets are your friends in need. Pure wool and marvellously woven, these good blankets are standards of quality and value. Woven in scarlet, khaki, grey, green and pastel shades, they will stand the hardest wear and give you years of service. For bungalows and summer homes they are ideal.

An Outstanding Canadian Product

If your dealer cannot supply you send us his name. We will do the rest.

Ayers LIMITED
LACHUTE MILLS, P.Q.
Established 1870

Hamilton Bridge Co. Elect Vice-president

From Our Own Correspondent

MONTREAL.—Hamilton Bridge Co. announces that Oswald E. Leger, formerly vice-president of Canadian Vickers Co. of Montreal, has been appointed assistant to the president, with headquarters in Toronto.

Canada Northern Stock Listed on London Board

From Our Own Correspondent

MONTREAL.—The London Stock Exchange Committee has given members permission to deal in Canada Northern Power Corp 7% cumulative preferred and no par value common shares.

East of Suez
Events Are Marching:
Australia fears

War in the Pacific

Australia is convinced that sooner or later there will be war in the Pacific.

In the East her friends and protectors are going down; her potential enemy has come up.

That is why her Governor-General, her Prime Minister say: "Defence is Australia's paramount consideration today."

Why she prevailed upon Britain to denounce the Anglo-Japanese Alliance . . . . Why she urged the Singapore Base.

It is why Australians sometimes say rude things about Canadians and their attitude in Imperial Defence matters.

So says G. R. Stevens in "Australia Sees It Coming."

When you hear it discussed you won't want to confess that you haven't read it.

"Australia Sees It Coming"
By G. R. Stevens

in the **May 15th** *issue of*
Maclean's
On Sale Today—Ten Cents

Individual Industries Make Quebec a Great Manufacturing Province

40 Industries Report Output Valued at Over $5,000,000

LEAD IN MANY FIELDS

Manufacturing Areas Are Well Defined — Montreal Leads in Output of Industry

Quebec is an outstanding manufacturing province rather on account of her great individual industries than because of her industrial activity.

This is apparent from a brief survey of the more important manufacturing industries as set forth in a report of the Bureau of Statistics. The Quebec section of the pulp and paper industry, in addition to supplying about 10 per cent of the total gross value of all products manufactured in the province, furnished 49 per cent of the products of the pulp and paper mills throughout the country.

The gross value of cotton yarn and cloth products from Quebec mills formed over 71 per cent, the gross value of cigars, cigarettes and tobacco formed 87 per cent, the value of railway rolling stock 44 per cent, and the value of boot and shoe products about 60 per cent of the Dominion totals for these products in 1931.

Diversification Exists

The predominance of the foregoing industries is not to be denied, yet it is noted that Quebec province can boast of 40 industries with an annual production valued in excess of $5,000,000. As already mentioned one industry alone accounts for about 10 per cent of the province's total manufactures, yet the degree of diversification compares favorably with that reported in other provinces.

Six Industrial Areas

Industrialization of Quebec has been largely confined to about six principal areas. These may be roughly classified as follows: Montreal, Ottawa Valley, Eastern Townships, the Grand'Mère area, Quebec and the Saguenay. Outside these areas manufacturing is conducted on a limited scale, but agriculture and other forms of land activity prevail.

The effect of industry on the general buying power of the French-Canadian, therefore, is largely concentrated in those areas, accounting for approximately one-half of the province's population. During the last four years industry has been in the doldrums and the buying area of the six industrial areas has been sharply curtailed. In other parts of the province, however, there has been little variation as the diversification of farm activity has made for stability in income.

The market outlook for the manufacturer and distributor in the industrial areas has definitely undergone an improvement over the past twelve months. Many of the major industries have stepped up production, taken on more men, distributed more funds in the form of salaries and wages and increased their purchases of materials. Some industries have not yet experienced a return of improving business, but these, in the main, are specialized industries which do not ordinarily get into their stride until after the basic producers have returned to what may be described as a normal productive capacity.

An examination of the types of industry in Quebec and the relative importance of the various manufacturing centres is essential to a sound survey of the market possibilities of the province.

Quebec's Workers Greater in Number

One of the best indices of the improvement in business conditions in the Quebec market and the increase in the individual's buying power, is seen in the employment index. At the end of last January the index stood at 88.5 compared with 75.7 in the same month last year. Beginning with February the index rose to 89.1, a gain of 15 points over February, 1933. At the start of last month the index stood at 85.1, an increase of 12 points over last year. The base index is 1926 equals 100.

With the opening of navigation and the pick-up in seasonal operations, it is expected that the employment index for Quebec will register sharp increases over the next two or three months.

Pulp and Paper Lead

Pulp and paper is by far the most important manufacturing activity in Quebec. The output of this industry has increased substantially in the last six months, while for 1931 production had a value of over $85,000,000. The output for 1932 and 1933 was on much the same basis.

Tobacco, cigarettes and cigars rank second among the major industries of Quebec, with an output in 1931 valued at $65,566,797. Central electric stations are next in importance, followed by smelting and refining.

The following table shows comparative figures on the 40 leading industries in Quebec. The figures apply to 1931 the latest year for which detailed statistics are available:

	Plants No.	Gross Value of Products $
Pulp and paper	45	85,162,453
Tobacco, cigars and cigarettes	62	65,566,797
Central electric stations	132	42,010,665
Non-ferrous metal smelting and refining	4	34,242,461
Cotton yarn & cloth	15	30,749,771
Railway rolling stock	10	29,874,473
Clothing, factory, women's	210	28,755,336
Boots and shoes	108	22,041,499
Slaughtering and meat packing	33	21,633,359
Clothing, factory, men's	119	20,378,471
Butter and cheese	1,318	20,079,921
Breweries	9	19,782,988
Electrical apparatus and supplies	19	16,724,176
Bread and other bakery products	916	16,656,417
Petroleum products	7	15,990,711
Printing & publishing	66	15,826,671
Sawmills	1,323	15,333,194
Castings and forgings	73	13,284,331
Biscuits, confectionery, cocoa, etc.	60	13,027,044
Hosiery & knitted goods	41	12,875,158
Silk and artificial silk	13	12,425,851
Flour and feed mills	352	12,118,585
Rubber goods, including footwear	10	10,983,537
Furnishing goods, men's	73	10,205,807
Sheet metal products	25	9,960,957
Print. & bookbinding	266	8,133,571
Machinery	31	7,635,191
Bridge and structural steel work	4	7,530,963
Cement	3	7,092,895
Planing mills, sash and door factories	250	7,006,264
Paints, pigments and varnishes	16	6,771,059
Shipbuilding	5	6,655,406
Distilleries	8	6,409,395
Fur goods	99	6,103,686
Miscel. textiles	6	6,008,705
Hats and caps	61	5,953,017
Aerated and mineral waters	114	5,532,940
Medicinal & pharmaceutical preparations	48	5,512,094
Dyeing, cleaning and laundry work	86	5,499,916
Primary iron & steel	14	5,408,500
Total, Forty Leading Industries	6,054	692,894,285
Total, all Industries	7,505	849,154,353
Percentage of forty leading industries to totals of all industries in the province	80.67	81.60

Note: Statistics for sugar refining, which is also one of the leading industries of this province, cannot be published because there are fewer than three establishments reporting.

Montreal Stands Out

Those manufacturers or distributors interested in marketing their products in industrial centres will naturally first turn their attention to Montreal when considering the French-Canadian market. For many years past Montreal has held the position of leading industrial centre in the Dominion, though in 1932 the preliminary returns indicate that Toronto's output exceeded that of Montreal by a small margin.

Nearly one-half of Quebec's manufacuring activities are centred in Montreal. There are seven other major industrial centres.

Through the instrumentality of the power companies many large size industries have been established in small communities within easy transmission distance of power plants, or where labor or other local conditions are especially favorable.

This is more clearly shown in the following list of the Quebec cities and towns having an industrial output of more than $1,000,000. As in the case of the leading industries, the figures refer to 1931 operations:

	No. of Plants	Gross Value of Products
Montreal	1,992	$438,237,287
Quebec	257	33,848,800
Three Rivers	58	28,427,631
Montreal East	7	22,678,061
Shawinigan Falls	25	20,144,185
LaSalle	9	13,772,364
Lachine	33	12,858,239
Sherbrooke	72	11,999,409
Granby	31	9,669,866
Drummondville	21	9,786,858
St. Hyacinthe	57	8,181,298
Hull	40	7,577,416
Magog	14	7,178,851
St. Jean	42	6,976,679
St. Jerome	32	6,888,378
Valleyfield	30	5,415,675
Grand'Mère	16	4,119,955
Westmount	13	3,770,185
Kenogami	5	3,548,403
Buckingham	13	3,435,211
La Tuque	12	3,277,149
Beloeil	11	3,200,328
St. Pierre	11	3,166,514
Donnacona	3	2,901,624
Lauzon	6	2,747,950
Verdun	20	2,388,876
St. Joseph d'Alma	9	2,257,566
Cowansville	10	2,242,784
Victoriaville	24	2,162,597
Beauharnois	9	2,135,425
Sorel	21	2,110,231
Joliette	42	2,105,469
Brownsburg	6	2,008,487
Louiseville	10	1,949,334
Windsor	11	1,927,139
Chicoutimi	20	1,779,732
East Angus	8	1,732,749
Outremont	10	1,579,255
Coaticook	22	1,424,259
Cap de la Madeleine	10	1,287,037
Berthier	13	1,279,487
Rimouski	13	1,268,089
Portneuf	11	1,250,631
Delson	4	1,221,966
St. Remi	11	1,092,512
Waterloo	10	1,025,902
Farnham	13	1,002,389

Further Growth Likely

The continued industrial growth of Quebec has been retarded to a large extent by the depression of the past four years. Many projects had been planned but their execution was held up until business returned to normalcy. The change in the last year has been of such an encouraging nature, that many of the deferred schemes are again actively being considered and prospects are that over the next few years millions of new capital will be expended on plant construction in the province.

This will bring in its wake a demand for construction materials, special machinery, and, in turn, provide more employment and increase the buying power of the French-Canadian public.

Liquidator Seeks Ruling On Nova Scotia Steel Assets

From Our Own Correspondent

MONTREAL.—Decision has been reserved by the Nova Scotia Supreme Court in the friendly action between the liquidators and receivers of Nova Scotia Steel and Coal Co. to determine whether or not certain properties of the company, including shares in subsidiary companies, principally the Acadia Coal Co. and the Eastern Car Co., are covered by trust deeds securing bond issues.

The liquidator seeks a declaration as to what properties are subject to the lien or charge on the mortgages of July, 1909 for the delivery to the liquidators of all the real and personal property of Nova Scotia & Coal which is not subjected to lien or charges of either mortgages; as well as for an accounting as to the dealings of the receivers.

Nova Scotia Shipping To Defer Sinking Fund

From Our Own Correspondent

MONTREAL.—Holders of the first mortgage bonds of Nova Scotia Shipping Co., controlled by Eastern Canada Coastal Steamships, will meet in Saint John on May 14 to give approval to a resolution amending the trust deed permitting the company to defer sinking fund payments for 1934, 1935, 1936, without going into default.

TOURIST TRAFFIC EXPECTED TO SHOW INCREASE IN 1934

Winter Resorts Well Patronized; Convention Bookings Up

Tourist traffic this year will be on a much larger scale than in 1933 if early indications can be used as a guide, it is stated in the current issue of the monthly letter of the Canadian Bank of Commerce. Winter resorts in the West Indies and Southern States were well patronized; and the number of conventions booked for Toronto and Montreal to date is already in excess of the total for 1933 and includes several international organizations with very large memberships it is stated.

Activity among tourist agencies is evident, an unusually large number of enquiries and requests for literature giving indication of a busy season. Realizing the importance of a large tourist trade to the welfare of the country, a committee of the Senate has recently been appointed "to study the immense possibilities of the tourist trade and to enquire as to the means that might best be adopted looking toward its encouragement and expansion."

Business Comparatively New

Canada's tourist trade is a post-war development, rising from a relatively small seasonal influx of travellers to Canadian summer resorts to a $300 million industry—this figure being the amount spent by tourists in 1929, the peak year.

Contraction since 1929 has been most marked. Onset of the depression reduced expenditure in 1930 to $279 million, followed by larger reductions in the three succeeding years, to $117 million in 1933. It would appear from a compilation of automobiles entering Canada that the actual number of tourists increased until 1931 but during 1930 and 1931 their expenditures were greatly restricted.

The course of tourist trade during the past five years is best illustrated by a comparison of numbers and expenditure of automobile tourists from the United States the figures being compiled jointly by the United States and Canadian governments. Tourists entering under a 60-day touring permit only are considered:

AUTOMOBILE TOURISTS IN CANADA
Cars Admitted for 60 Days

	No. cars admitted for 60 days	Average length of stay days	Total expenditure by motorists from U.S.A.
1929	1,091,014	6.08	$216,577,000
1930	1,297,030	5.64	202,409,000
1931	1,469,753	5.88	188,129,000
1932	1,032,967	8.26	159,838,000
1933	863,136	5.67	77,250,000

Gold Shipments Doubled

Gold bullion exported in February amounted in value to $8,524,523 compared with $4,028,700 in the corresponding month of 1933, the Bureau of Statistics reports. Of this amount the United States received $5,913,469. The export to the United Kingdom was $2,611,054. Raw gold to the value of $371.592 also went to the United States. The above amounts are based on Mint par values at $20.67 per fine ounce.

"Quality Guarded"
Dairy Products
for a Happier Healthier Canada

Availing themselves of every resource of modern science, Eastern Dairies are consistently devoting their energies to supplying milk and other dairy products in their purest form. With scrupulous care their quality is guarded from the farm to the home. Combining intelligent self-interest with practical patriotism, this policy is winning for Eastern Dairies an ever widening clientele and promoting the health and happiness of Canadians.

EASTERN DAIRIES LIMITED

Elmhurst Dairy Limited—Montreal
Acme Farmers Dairy Limited—Toronto and Hamilton
The Producers Dairy Limited—Ottawa
Crescent Creamery Co. Limited—Winnipeg
Hull Dairy Limited—Hull

A CANADIAN COMPANY OWNED AND OPERATED BY CANADIANS

Aeroplane view of portion of Les Trois Rivières. Note splendid water transportation facilities.

Let Your Industry Thrive in Trois Rivières

Industrial Centre Located Midway Between Montreal and Quebec

Facts on Trois Rivières
Hydro Power
700,000 h.p. now developed in the St. Maurice Valley
Ample Labor Supply
Excellent Transportation Facilities
Half way between Montreal and Quebec
Adjacent to rich U. S. Market
World's Largest Pulp and Paper Mills
Four of Canada's Leading Banks Serve the City
Population 40,000

Industrial Success of Trois Rivières Based on Sound Essentials

TROIS RIVIERES is fortunate in its all-round advantages for industry! The largely French-Canadian population of the city provides a source of labor unequalled anywhere on this continent. Faithful, contented, skilled and unskilled labor assures industry a labor supply that is diligent and industrious.

Trois Rivières is strategically located both in relation to raw materials and markets. Lying midway between Quebec and Montreal and with a deep-water harbor, it taps the markets of the world by water and the large consuming centres of Canada and the United States by water and rail.

Hydro-power — abundant and cheap — brings to industry in Trois Rivières this great essential for industrial success. The developed power resources of the St. Maurice Valley total over 700,000 h.p. Living conditions in Trois Rivières are such as to create a contented people, whilst educational needs are splendidly met by academies and colleges of the highest rank.

Parks, playgrounds, a promenade on the banks of the St. Lawrence, well shaded residential streets, attractive residences and well administered public services are all factors that bear favorably on industrial endeavor.

HIGHLIGHTS OF FINANCIAL PROGRESS
CURRENT REVENUE AND EXPENDITURE

Years	Current Revenue	Current Expenditure	Gross Surplus	Carried to Reserves	Net Surplus
1930	$1,389,279.00	$1,358,726.42	$30,552.58	$28,339.00	$2,213.58
1931	1,461,212.19	1,406,590.88	54,621.31	45,200.00	9,421.31
1932	1,849,205.93	1,721,192.50	128,013.43	115,000.00	13,013.43
1933	1,511,541.97	1,410,145.35	101,506.62	99,213.37	2,293.25

FOR FURTHER INFORMATION, WRITE CITY CLERK, TROIS RIVIERES, P.Q.
Trois Rivières offers a strategic location for industry.

TELEPHONE AIDS FURTHER GROWTH QUEBEC MARKET

Communication System Serves Distributor and Producer

Growth and development of business and industry hinge today on modern communication, not only in urban municipalities but also through the inroads of telephone service to less populated localities. This is convincingly demonstrated in Quebec province.

It is not generally recognized that apart from the widespread services of the Bell Telephone Co. of Canada, and that Company's lines in use in Quebec as important links in the Trans-Canada Telephone System, there were in the same Province, at the beginning of 1934, no less than 275 other telephone systems in operation. Of this number 132 have direct connection with the Bell Telephone in order to provide long distance service, as distinguished from purely local connections among the telephones situated on their lines. The remaining 143 systems are provided with similar long distance possibilities through their inter-connection with other systems already provided with these facilities.

Many Small Systems

Further breakdown of these statistics reveals that Quebec has 54 service station systems and 221 connecting company systems. Of the latter, 78 have direct Bell Telephone Co. connections, while 143 have similar service through indirect means.

The figures show that the total of 32,891 telephones in these connecting systems have potential service facilities similar to those of the larger telephone-using populations of urban centres in Quebec province. It will be noted that this is due in large measure to the way in which the Bell Telephone Company of Canada has been able to augment the limited facilities of the smaller independent telephone systems by providing for them wide scope of long distance usage and, in the case of the Service Station systems, providing necessary switchboard facilities at strategic points.

The scope of this service is still further appreciated when it is remembered that the 32,891 telephones thus made inter-communicating and provided with long distance connections, are served through a total of 371 central offices — or exchanges — and are linked by close upon 12,000 miles of telephone "long distance" circuit wire.

Provide Wide Service

Of additional interest is the fact that these systems vary in size throughout Quebec from several which serve a mere handful of subscribers and others which serve one, two, three hundred or more users, to the largest which has a subscribers' list approximating 2,500 names. Slightly more than 3,000 telephones in Quebec (the figure was 3,034 at the beginning of this year) are non-connecting with the augmented facilities provided the others through the Bell Telephone Co. services.

Help to Industry

Two prime considerations in Quebec at this season are: (1) mining and (2) tourist attractions, each of them vital in Quebec's advancement. Similarly, each is widely spread over the Province, yet centres in rural areas either close to or adequately connected—by telephone—with sizeable towns and cities. To enumerate only a few centres of mining activity where telephone communication has shared in no small way in the developing of natural resources, one might recall the following: Rouen, served through the T. N. and O. and the Northern Telephone Company lines; Thetford and Danville (asbestos); Three Rivers and Baie St. Paul (ferous oxides and iron compounds); Scotsman (gold) and the vicinity of Sherbrooke (copper, the largest working deposits of this kind in the Dominion).

Promote Tourist Trade

Between Quebec City, the Saguenay River and the Lake St. John area, new and promising tourist attractions are being afforded. Three good highways are accounting in part for this. The latest of these, begun little more than a year ago under Government direction, from Baie St. Paul to Chicoutimi, follows almost directly the old trail or "immigration line" and the first telegraph lines, bordering the southern boundary of the great Laurentide Park preserve where telephony, as in the case of so many other of Canada's natural forest reserves, aids immeasurably the efforts of forest fire rangers and in the saving of lives and the alleviation of human suffering when aid must be called quickly.

Taken all in all, Quebec is far from backward in the matter of its communication facilities, particularly those of modern development in telephony. While there are still remote points, some of them in new mining districts, that are without this means of human contact with the outside world of affairs, it is a point worth recalling that stability of industry and continuing habitation bring in their wake here, as elsewhere, the utmost in telephone accessibility, and that quickly.

Asbestos Corp's. Action Dismissed by Courts

From Our Own Correspondent

MONTREAL.—Asbestos Corp.'s action for $12,825,000 damages against the Keasbey, Mattison Co., of Ambler, Pa., has been dismissed by the Quebec Superior Court. The action arose out of an alleged breach of contract. Entered in 1926 the case was first heard by Judge P. D'Auteuil. He died before giving judgment and the case was referred to Judge Langlais.

The action had been entered by Asbestos Corp. on the grounds that Keasbey, Mattison Co. had failed to comply with the contract into which they allegedly had entered to join the merger of Asbestos companies in Canada. The defense said their entry into the merger would have been a violation of the anti-trust laws of the United States.

La Presse Publishing Buys Nearly All La Patrie Bonds

La Presse Publishing Co. has bought all but $5,000 of the $500,000 6½ per cent first mortgage bonds, due 1943, of La Patrie Publishing Co., it is understood.

La Patrie Publishing Co. was taken over by La Presse Publishing Co. in July, 1933. The purchase of bonds by La Presse was part of the deal in which La Patrie was taken over.

French-Canada Buys Wide Variety of Goods

Quebec Spends Several Hundred Millions Annually in Importing Merchandise to Meet Her Growing Needs

Quebec relies less on imports to meet her domestic needs than other provinces of the Dominion. Yet, despite this greater degree of self-sufficiency, the centre of Canada's French-speaking population annually buys outside her own boundaries nearly $800,000,000 of merchandise. These goods are, in the main, for direct consumption, though the volume going into industry for further processing is impressive.

A market of $800,000,000 cannot be neglected by the manufacturer or distributor. Language, habits and temperament of the French-Canadian people have been handicaps. But those distributors who have carefully surveyed the market have found that Quebec does not present difficulties greater than to be found in other provinces. With a sympathetic approach most of the "problems" disappear and the returns from careful planning make the cultivation of the Quebec market well worthwhile to the manufacturer or distributor.

Quebec's Needs Cover Many Commodities

What does Quebec buy? An examination of the imports into the province discloses a range of goods covering every conceivable type of goods. Among the edible agricultural products, Quebec bought $2,826,001 worth of fresh fruits during the fiscal year ended March 31. Her purchases of dried fruits from Australia and elsewhere were almost equally as large. Sugar and its products to the value of over $8,000,000 were brought into the province in 1933. Quebec also has a liking for tea, coffee, cocoa and spices, judging by the fact that $3,545,000 worth of these products were imported.

Among the non-edible agricultural products, the province imported over $4,000,000 worth of liquors and wines in 1933. While Quebec grows large quantities of tobacco, still she spends over $2,600,000 annually on imported products.

Textile Imports Reach Big Figure

Montreal and some of the other urban centres are large fur and garment manufacturing centres. It is not surprising, therefore, to find among imports over $3,600,000 worth of furs, skins and leather, as well as nearly $25,000,000 of textiles. In the latter division, cotton imports are shown at $9,570,000; silk, $4,346,951; wool, $5,417,628; flax, hemp, jute, etc., $2,117,483; and other fibres, $3,039,391; artificial silk, $1,072,985.

Iron and Steel Well to the Fore

Iron ore is not found within the province, so iron and steel and their products figure prominently among imports to meet the needs of heavy industries. Partially manufactured iron imported in 1933 had a value of more than $5,000,000. Tubes, pipes and fittings are shown in the returns at $266,354; wire, $180,123; engines and boilers, $307,593. Among the manufactured finished iron and steel products imports are farm implements and machinery to the value of $122,305; hardware and cutlery, $479,347; stamped and coated products, $310,439; tools and hand implements, $238,512.

Quebec industries also import large quantities of various metals for further processing. Aluminum imports in 1933 had a value of $1,508,695; brass, $598,386; copper, $180,198; nickel, $278,099; tin, $255,869.

Manufacturers interested in the development of the Quebec market for electrical appliances will be interested in the fact that over $1,500,000 of these products were imported in 1933. This is in addition to the large volume of electrical goods produced within the province.

Coal and Petroleum Imports Heavy

Among the non-metallics imported into the province, coal stands out with imports worth $10,228,788. Petroleum is also in demand with purchases outside of the province in 1933 totalling $13,374,206. Clay products, glass, stone and other non-metallics figure among the imports.

In the chemical and associated fields, Quebec offers a promising market. Manufacturing is carried on on an extensive scale, but the province finds it necessary to make heavy importations in order to meet requirements. Cellulose products imported in 1933 had a value of $876,672; drugs and medicinal preparations, $1,028,366; dyeing and tanning materials, $1,445,132; fertilizers, $589,564; acids, $313,712; perfumes and toilet preparations, $257,906; soda and sodium compounds, $753,696; inorganic chemicals, $1,464,984.

Particulars of Major Import Items

Among other major items of imports are found such articles as brushes, musical instruments, seeds, hardware, wood products, scientific and educational equipment, etc. The extent of these and other purchases in the fiscal year 1933 is set forth in the following list:

Cereals and flour	$1,598,025		
Fresh fruits	2,826,001	Stamped and coated products	310,439
Dried fruits	1,748,761	Tools and hand implements	288,512
Prepared fruits	390,756	Vehicles	535,255
Nuts	688,287	Other iron products (est.)	6,000,000
Fresh vegetables	1,300,316	Aluminum and its products	1,508,695
Sugar and its products	8,190,773	Brass and its products	598,386
Tea, coffee, cocoa, spices	3,545,014	Copper and its products	180,198
Alcoholic liquors, brewed or distilled	3,731,727	Nickel and its products	278,099
Wines, non sparkling	552,181	Precious metals and their prod.	335,501
Gum	379,703	Tin and its products	255,869
Rubber and its products	684,862	Electrical apparatus	1,585,841
Seeds	494,823	Clay and its products	1,186,417
Tobaccos	2,668,717	Coal and its products	10,228,788
Furs, skins and leather	3,616,585	Glass and its products	1,185,797
Meats	433,508	Petroleum and its products	13,374,206
Cotton and its products	9,570,488	Stone and its products	646,451
Flax, hemp, jute and their products	2,117,488	Acids	313,712
Silk and its products	4,346,951	Cellulose products	876,672
Wool and its products	5,417,628	Drugs and medicinal preparations	1,028,366
Other fibres and their products	3,039,391	Dyeing and tanning materials	1,445,132
Artificial silk and its products	1,072,985	Fertilizers	589,564
Manufactured wood	631,216	Paints and varnishes, etc.	867,526
Paper	1,827,777	Perfumes and toilet preparations	257,906
Books and printed matter	2,323,688	Soda and sodium compounds	753,696
Iron, partially manufactured	5,022,113	Inorganic chemicals	1,464,984
Tubes, pipe and fittings	266,354	Amusement and sporting goods	688,110
Wire	180,128	Containers	1,330,911
Engines and boilers	307,598	Household & personal equipment	1,339,955
Farm implements and machinery	122,805	Musical instruments	88,747
Hardware and cutlery	479,347	Scientific and educational equipment	707,560

MANY QUEBECERS EARN LIVELIHOOD FROM FISHERIES

15,000 Workers Take Part in Harvesting Sea Food

From Our Own Correspondent

Quebec is not usually associated with the fishing industry. Yet with its hundreds of square miles of lakes, the mighty St. Lawrence River parting the province in two, and the Gulf of St. Lawrence and the Atlantic Ocean forming part of the north eastern boundary, fishing operations are conducted on a fairly extensive scale. Nearly 15,000 workers are engaged in primary and secondary fish operations and a study of this industry is worthwhile to those interested in the marketing possibilities of Quebec province.

Conditions in the fishing industry over the past three years have not been altogether favorable, yet in normal times the buying power of the workers in this field constitute an important outlet for many products other than those actually used in operations.

Over $2,300,000 of Capital

According to the last survey conducted by the Dominion Bureau of Statistics, covering 1932, there was $2,379,527 of capital invested by the Quebec fishing industry in vessels, boats, nets, traps, piers and wharves, etc. In addition another $425,673 was invested in fish curing and canning establishments, making a total capital of $2,805,200.

The number of men engaged in the primary operations during 1932 was 13,618. The average number of persons employed in fish canning and curing establishments during the season was 1,075, or a total in all of 14,691. This compares with 13,866 in 1931.

While no figures are available as to the amount paid to these workers in salaries and wages, some idea of their buying power is to be had from an examination of the report on the value of the catch.

Catch Worth $1,815,544

The product of Quebec fisheries in 1932 had a value of $1,815,544. This compares with $1,952,894 in 1931. These totals show the value of the fish as marketed, whether sold for consumption fresh, or as prepared in the various forms, i.e., canned, smoked, dried, etc.

The cod fishery is of chief importance, with a product in 1932 valued at $648,722. The greater part of the cod catch is dried and sold for export, although considerable quantities also are marketed for consumption fresh and as green salted.

Cod liver oil is also an important product of the cod fishery. Among the other chief commercial fishes are lobster, herring, salmon and mackerel.

Returns to Fishermen

The quantity of fish of all kinds caught and landed in Quebec during 1932 amounted to 919,719 cwt., for which the fishermen received a total of $1,451,784, an increase in quantity compared with the preceding year of 68,953 cwt., or 8 per cent but a decrease in value at the point of landing of $184,792, or 12 per cent.

A market with a buying power of approximately $1,500,000, which figure does not include the large sums spent on new equipment and replacement of equipment in primary and secondary operations, is a market worthy of cultivation. To date no special effort has been made to develop this sales outlet. It is a matter of time only, however, before producers of fishing equipment and other products will cater especially to this small, though concentrated market.

COURTAULD ADDITION BRINGS PROSPERITY

Foundation Co. Compiles List of Materials Used in Work

From Our Own Correspondent

MONTREAL.—What new construction means to Canada is well illustrated by figures compiled by the Foundation Co. of Canada on the construction of the new addition to the rayon plant of Courtaulds (Canada) at Cornwall. This plant was commenced in October, 1933, and commenced manufacturing silk at the beginning of this month.

During the period of construction unemployment in Cornwall practically ceased. The cost of the new addition was $2,500,000, of which $750,000 was expended on Canadian machinery and $750,000 on British machinery of a kind not made in Canada.

The materials used in this work follow; 36,000 tons of construction materials; 1,134 tons of machinery installed; 6,525,887 ton miles of freight hauled by rail to the work; 87,658 ton miles of freight hauled on the highways to the work; 3,188 tons of freight shipped by boat and handled through the harbors of Canada; 200 tons of British Columbia lead; coal and steel from Nova Scotia.

In addition a tremendous amount of indirect labor went into the preparing of the materials and machinery that are incorporated into the building.

"The Only Market of its Kind in the World!"

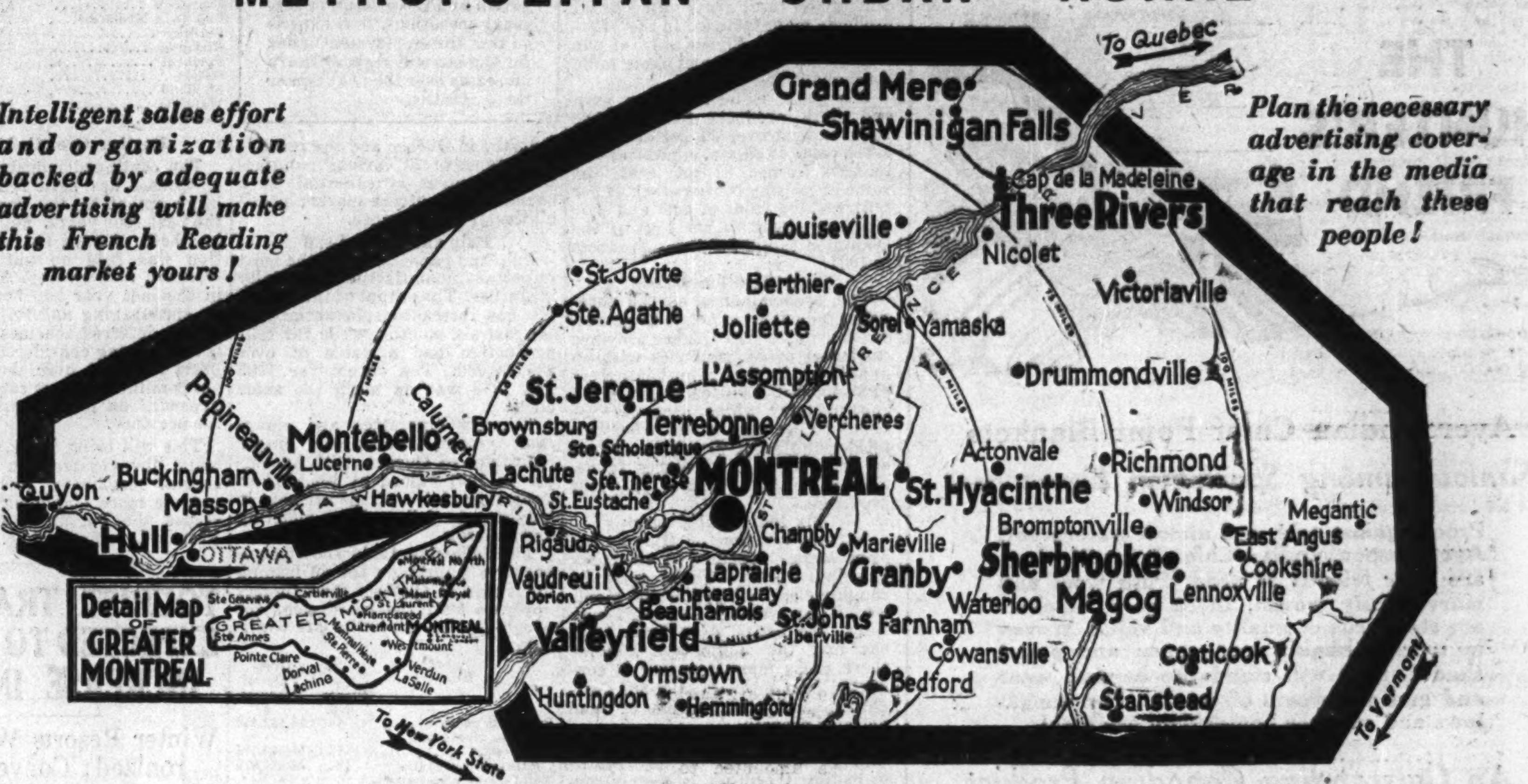
1,996,255 PEOPLE

MONTREAL MARKET DISTRICT

METROPOLITAN — URBAN — RURAL

Intelligent sales effort and organization backed by adequate advertising will make this French Reading market yours!

Plan the necessary advertising coverage in the media that reach these people!



Unlike most trading centres, the City of Montreal is **not** "walled off"—either by a lake, the sea, an international boundary or a competitive city. It is the heart of a network of industrial payrolls; together with the farming areas which supply a large part of their food.

This Montreal Market District extends approximately 100 miles Eastward to Trois Rivières; 100 miles Westward to Hull and Eastern Ontario; 50 miles North and South. A concentrated market of 1,996,255 people.

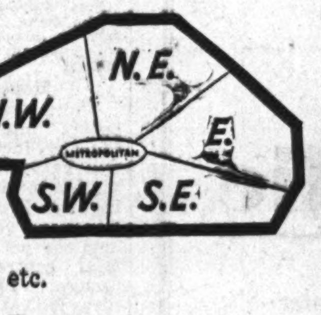
A Market that is 72.8% French

1,454,380 French people reached effectively only through their own language.

METROPOLITAN AREA (Greater Montreal) — 1,018,124 FRENCH 60% — is not dependent on any one interest. It is not only a textile city, nor is it only a shipping centre by rail and sea, a shoe manufacturing city, or a financial and insurance centre, — though in all these and many other industries it leads the Dominion. Immense activity radiating North, South, East and West from Montreal over a territory which is even more overwhelmingly FRENCH than the City itself in its reading, thinking and talking.

* * *

NORTH WEST North and West to Hull. — 243,632 FRENCH 80.4%
Including the industrial centres of—
Hull — Matches — Cement — Newsprint and Kraft Papers — Meats — Clothing — Foundry Products.
St. Jérôme — Rubber Products — Paper — Knit Goods.
Lachute — Textiles — Ammunition — Paper.
Masson — Lumber products and Power.
Buckingham — Newsprint — Chemicals, etc.
Terrebonne — Agricultural implements.
Ste. Thérèse — Proprietary Medicines — Furniture — Clothing — Chemicals — Pianos.
With a thrifty, prosperous farming community located on 16,600 farms.



* * *

SOUTH WEST South and West to the United States border and into Ontario — a region primarily devoted to agricultural pursuits with dairy, stockraising, and exportation of registered cattle, also fruit production on 6,330 farms. In addition, we have in this section the industrial centres of— — 71,724 FRENCH 75.6%
Valleyfield — Textiles — Flour milling.
Beauharnois — Paper and Power Plants. Furniture.
Huntingdon — Textiles.

NORTH EAST Along the North shore to Trois Rivières, Shawinigan and Grand'Mère including industrial cities of— — 221,348 FRENCH 95.8%
Trois Rivières (Three Rivers) — Textiles—Paper—Boots and Shoes.
Shawinigan Falls — Power — Paper — Aluminum—Carbide — Cellophane—Carborundum—Textiles—Electric Power and Electricity.
Grand'Mère — Paper — Boots and Shoes.
Joliette — Electricity — Steel — Cast Iron — Knit Goods — Gloves — Paper — Stationery — Lime — Clothing.
Berthier — Matches — Distillery Products.
With a farming community on 12,918 farms. In this district is produced continuously over 800,000 Hydro Electric H.P.

EAST East along the South Shore of the river to point opposite Trois Rivières, including— — 175,685 FRENCH 97.6%
St. Hyacinthe — Pipe Organs — Textiles — Corsets — Silk Products — Cotton — Hosiery — Shoes — Leather — Knit Goods — Clothing.
Drummondville — Hosiery — Celanese — Tire Fabric — Paper Specialties — Rubber Heels — Broad Silk — Paper Products, etc.
Sorel — Shipyards — Steel castings. **Actonvale** — Boots — Rubbers.
Victoriaville — Furniture — Clothing — Silk.
Arthabaska — Furniture — Clothing.
With smaller industrial centres specializing in furniture manufacturing and boots and shoes. Also 16,415 farms supplying food required by Montreal and these smaller centres.

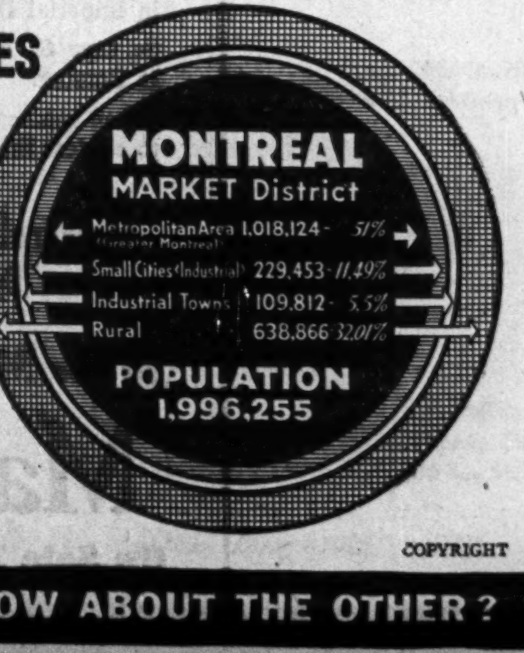
SOUTH EAST South to the border, east to Stanstead. — 265,742 FRENCH 78.2%
The following industrial cities and towns—
St. Jean (St. Johns) — Vitreous China — Sewing Machines — Drain Tiles — Men's Clothing — Blank Books.
Sherbrooke — Textiles — Silk Products — Hosiery — Woollens — Air Compressers and Drills — Scales — Paper — Machinery.
Asbestos — Asbestos — Mines.
Granby — Rubber Goods — Cigars — Overshoes — Blankets — Baby Carriages — Tobacco — Elastic — Textiles — Hosiery.
Farnham — Linoleum — Work Clothing — Plush.
Bromptonville — Paper and Pulp — Mining — Timber.
East Angus — Paper — Lime. **Magog** — Textiles — Wood products.
Waterloo — Furniture — Metal Products — Bakelite.
And a rural population on 21,000 farms producing dairy, field and orchard products with a remunerative maple products industry.

A CLOSELY KNIT MARKET OF INTERLOCKING ACTIVITIES

To secure the full measure of results from this responsive French Market, sales and advertising plans should be co-ordinated to fit the needs of the field. The importance of the market well WARRANTS special examination and attention.

Analyses of the Montreal Market District.
No. 1—Population Distribution by Community.
This is No. 8 in the Series.
Copies are available to those interested in developing this French speaking, thinking and reading market.

The facts presented here have been gathered and compiled from Government statistics by the Montreal La Presse, in the interest of manufacturers and others who desire to develop trade possibilities in this French speaking and READING market. Correspondence is invited on any specific points relating to marketing conditions in the Montreal Market District. Address: — Business Manager, La Presse, Montreal, Canada's French National Newspaper. Toronto, Ont., Branch—Metropolitan Building — S. L. Rees, Manager.


MONTREAL
MARKET District
Metropolitan Area (Greater Montreal) 1,018,124 - 51%
Small Cities (Industrial) 229,453 - 11.49%
Industrial Towns 109,812 - 5.5%
Rural 638,866 32.01%
POPULATION 1,996,255

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YOU MAY BE STRONG ENOUGH IN ONE LANGUAGE, HOW ABOUT THE OTHER?

CO-OPERATIVE ASSOCIATIONS BIG BUYERS

Play Important Part in Life of Rural Areas

BUSINESS VALUABLE

Many Forms of Co-operative Activity Carried on in French-Canada Area

No thorough survey of the French-Canada market can be made without a consideration of the co-operative buying and marketing agencies. Since the post-war period this form of co-operative development has experienced widespread growth. The initiation of wheat pools in the western provinces undoubtedly gave great stimulus to the movement, but long before the eastern provinces, and especially French-Canada, had been fostering co-operative methods.

At the time of the last national census—in 1930—the opportunity was taken to secure detailed figures on the number, volume of business and other particulars of co-operative organizations. The returns were divided into three classifications, namely; marketing, buying by farmers' and consumers' organizations and processing and manufacturing.

$3,000,000 of Business

Co-operative marketing associations in Quebec Province handled over $3,000,000 worth of business in 1930.

This business was distributed as follows:

Type of Assoc.	No.	Total Sales
Dairy products	2	$2,366,023
Fish, etc.	1	945
Grain	1	15,039
Honey and maple	1	1,007,216
Mixed products	12	4,913,735
Tobacco	2	279,818
Wool and furs	2	104,627
Total sale of products	23	8,694,260
Total sale of supplies		423,426

Marketing is Greater

Co-operative buying, while an important phase of co-operative activity, has not nearly attained the volume of business as co-operative marketing. Purchasing of farm supplies is done through a number of local organizations of farmers formed for the purpose of pooling their orders. Many farmers utilize existing organizations such as Farmers' Institutes and Agricultural Societies, while retail stores were operated by some farmers' organizations.

A number of marketing organizations also endeavor to look after the needs of their members in this direction, by buying for them such commodities as flour, feed, fertilizer, etc., and with many of the central marketing organizations and sales agencies the purchasing and selling of farm supplies has become a recognized side-line.

There are a number of central purchasing agencies whose sole function is the buying of supplies for distribution and resale, handling such products as general merchandise, flour and feed, groceries and meat, gasoline, etc.

Wholesale and retail co-operative associations in Quebec handled a business or roughly $1,500,000 in 1930. There were two wholesalers with sales of $295,320 and 261 local associations selling direct to the individual member. The latter reported a business volume of $1,256,031 during the year of the census.

The wholesalers business was distributed as follows:

General	$1,000
Flour, feed, seeds & groceries	179,540
Supplies	32,367
Fertilizer	63,000
Other	19,413
Total	295,320

The local associations reported the following distribution of their sales:

General	$551,008
Flour, feed, seeds & groceries	521,499
Supplies	68,836
Fertilizer	118,402
Gasoline and oil	5,294
Coal and wood	517
Other	35,713
Services	2,166
Total	1,303,435

Information on co-operative organizations engaged in processing and manufacturing is not as complete as in the other divisions. The returns show three co-operative bakeries in Quebec with sales totalling approximately $63,000, about which two-thirds represented manufactured products and the remaining third merchandise and supplies.

Six of the 13 canning, preserving and packing associations are located in Quebec. Sales for all units amount to around $1,400,000.

Particulars of the co-operative creameries and cheese factories are more detailed. The number reporting was 298, of which 182 were creameries, 105 cheese factories and 11 combined creamery and cheese factories. Sales of dairy products amounted to $3,746,307 and supplies to patrons $23,563.

Run Co-operative Dairies

The value of the dairy products sold by these co-operative agencies was apportioned as follows:

Butter	$2,934,462
Cheese	682,984
Fluid milk, cream & buttermilk	53,332
Ice cream	2,486
Miscel. products	6,654
No breakdown furnished	66,389

The PROVINCE of QUEBEC

Immensely Rich in Her Resources, to be Retained and Developed in Canada's Best Interests

WATER POWER—The physical geography of the Province of Quebec is such as to make its innumerable water falls one of its most valuable natural resources.

For the time being, the estimated available power for development has been set at some 13,000,000 horse-power (the largest figure of any Canadian Province), out of which over 3,300,000 horse-power have been developed, which figure represents about 50% of the total turbine installation in the whole of Canada. Considerable foreign capital has been attracted and invested in this industry, which has attained a high degree of efficiency. Of course, the world depression has also in a measure affected it and caused a momentary slackening in the demand for power; but the need of electric current is now so general in modern civilization, that it is confidently expected that most power plants will return to normal capacity in no distant future.

FORESTS—Quebec's virgin forest resources are great wealth producers for the Province—not only in revenue for stumpage dues, sale of timber, et cetera, but as the mainstay of the pulp and paper industry, a source of substantial prosperity throughout the Province. Value of wood cut and of other forestry products for 1932 was $19,216,197.
Of the pulp and paper mills actually operating in Canada, 42 are in the Province of Quebec. For 1932, of the $581,597,417 invested in this industry, $289,932,719 were invested in Quebec Province. Quebec is the leading producer both of wood pulp and paper in the Dominion. In 1932, the production of paper was $53,805,018 for 1,057,433 tons, and of wood pulp $31,124,954 for 1,240,442 tons.

MINERALS—The value of Quebec's mineral production has reached $46,454,000. The mineral possibilities of Quebec are enormous. Whilst noted in the past chiefly for its non-metallic substances—asbestos (Quebec producing 78% of the world's total production), mica feldspar, magnesite, graphite, marble and ornamental stone—with the discovery and development of the metallic deposits in the Western part of the Province, Quebec is now an important producer of gold and copper. Mining laws in Quebec are very liberal and favor the prospector.

AGRICULTURE—Estimated gross revenue from agriculture in 1932 approximated $129,656,000. Mixed farming is highly developed, with dairy products, next to field crops, the most important branch. Some 1932 production values are as follows: Field crops, $70,382,000; dairy products, $30,433,000; poultry and eggs, $7,504,000; fruits and vegetables, $4,777,000; maple products, $1,727,000; tobacco, $329,000; oats (included in field crops), $18,369,000; farm animals, $13,314,000; wool, $332,000; clover and grass seed, $110,000; honey, $216,000.

MANUFACTURING—Quebec's hydro-electric power is not only abundant, but is the cheapest in Canada. This plus strategic location in relation to markets, splendid water and railway transportation facilities, excellent labor, and availability of raw materials, has been responsible for the Province's solid and rapid growth industrially. Manufacturing establishments in 1931 numbered 7,505, employing 180,808 workers and representing a capital investment of $1,662,811,076. The gross value of products in 1931 was $849,154,353.

TOURISTS—Both summer and winter tourists find Quebec Province a place of intriguing charm. Good hotels, varied scenery, good roads, winter sports, sensible, well-regulated liquor laws, historic spots, have all combined to increase tourist traffic. It is estimated that motor tourists from United States alone spent $40,000,000 in the Province of Quebec in 1933.

For information write

Office of the Premier, Quebec, Que.

BANQUE CANADIENNE NATIONALE

HEAD OFFICE: MONTREAL

Paid up Capital and Reserve Fund
$12,000,000

Assets, over $126,000,000

Unsurpassed facilities for the transaction of business in the Province of Quebec.

241 Branches in Canada
209 in Quebec

Auxiliary Office in France.
Correspondents the world over.

Farm Lands Contribute Heavily to New Wealth

Manufacturing has made tremendous strides in Quebec in the past two decades, but agricultural remains the backbone of the province's prosperity. Outside of the larger urban centres and the highly industrial area of the Eastern Townships, farming is the principal vocation and source of livelihood of more than half of the province's population.

Over the last four years new wealth from farms in Quebec has averaged more than $200,000,000 annually. The annual value of farm products has tended downward in recent years, but the volume has been well maintained. In 1932, the last year for which complete statistics are available, Quebec farms produced nearly $130,000,000 worth of products. Field crops and dairy products were well in the lead, though as will be seen from the following comparative table, production in Quebec is unusually well diversified.

New Wealth From Farms
(000's Omitted)

	1929	1930	1931	1932
Field Crops	$153,664	$120,366	$ 73,478	$ 70,382
Farm Animals	41,001	32,300	19,729	13,314
Wool	1,320	745	534	332
Dairy Products	86,698	83,630	39,162	30,433
Fruits & Veget.	7,974	7,325	6,465	4,777
Poultry & Eggs	14,407	13,513	9,243	7,504
Fur Farming.	2,104	1,258	693	532
Maple Products	4,767	3,612	1,817	1,727
Tobacco	1,210	792	336	329
Seed	115	89	154	110
Honey	435	455	595	216
Total	313,695	264,085	152,206	129,656

Halifax Port Traffic Creates New Record

From Our Own Correspondent

MONTREAL.—Traffic handled at the Port of Halifax during April recorded an increase of 46 per cent over the same month a year ago, according to official figures released by the Halifax Harbor Commission. In tonnage, the increase amounted to 53,000 tons.

A 55 per cent increase in total tonnage since January 1 has been noted by port authorities and during the twelve months period ending April 30, all records were shattered in handling 2,046,801 tons of freight.

Flood, Potter and Co. Admit Three Partners

From Our Own Correspondent

MONTREAL.—H. C. Flood, senior partner of Flood, Potter & Co., members of the Montreal Stock Exchange, announces the entry of three new partners into the firm. They are: Douglas R. Potter, Edward J. DeYoung and Gordon Perry. The former partners, H. C. Flood, T. G. Potter and L. P. Beaubien, remain.

Consume More Energy

Consumption of electrical energy in Quebec last March totalled 712,000,000 kw.h., compared with 575,300,000 kw.h. in the same month in 1933. This was a new record.

Sound Finance Strong Point With Quebec

Stability of the Quebec market is reflected in the financial position of the province. In a survey of the financial position of the nine provinces going to make up the Dominion, A. E. Ames and Co. point out that per capita taxes and debt charges in Quebec are lower than elsewhere in Canada.

The invested wealth of Quebec in 1932 amounted to $2,875 per capita. The assessed value of all property was $769.22 per head of population.

The gross funded and temporary debt of the province amounted to only $41.95 per capita, while the net funded debt totalled $37.42. Contingent liabilities aggregated $5.02 per capita. Sinking fund charges on the debt amounted to the relatively low figure of $4.54 per capita.

Taxation is Small

The current revenue of the province in 1932 was $12.81 per capita against which current expenditures totalled $13.75. The deficit per head of population during the year was only 20 cents.

Taxation charges rest lightly on the people of Quebec compared with those of other provinces, the per capita charge in 1932 amounting to $4.57, from which $1.82 was deducted for debt charges.

QUEBEC PEOPLE OF PIONEER STOCK

Only 10 Per Cent of Population of Immigrant Stock

Less than 10 per cent of the population of Quebec at the time of the 1931 census were immigrants, as compared with 20 per cent and over in all other provinces to the westward. Of the total population of 2,874,255 only 251,743 were not born in Canada.

It would be expected that a considerable number of these immigrants would come from France but this is not the case, only 5,889 coming from that country. The British Isles and the United States provide the bulk of immigrants who settle in Quebec, the total from the former being 110,826 and from the latter 49,406.

"Foreigners" Are Few

In the following table the chief countries of origin of immigrants are shown along with the percentage of the Canadian total for each race.

Immigrants Resident in Quebec
(By Chief Countries of Origin)

	No.	% of Can. Total
British born	110,826	9.35
British Isles	103,679	9.10
England	68,369	8.75
Ireland	11,305	10.51
Scotland	27,491	9.83
Wales	1,031	4.61
British Possessions	7,109	15.74
Australia	383	10.74
India	356	7.62
Newfoundland	4,330	16.40
New Zealand	101	7.04
South Africa	214	9.57
West Indies	1,362	30.02
Foreign born	140,917	12.55
Europe	86,337	12.08
Austria	2,897	7.75
Belgium	2,927	17.18
Czechoslovakia	4,563	19.98
Denmark	1,181	6.86
Finland	2,696	8.88
France	5,889	35.15
Germany	2,789	7.12
Greece	1,294	23.19
Hungary	3,771	13.22
Italy	9,797	23.01
Jugoslavia	1,658	9.69
Lithuania	2,146	37.62
Poland	13,686	8.15
Roumania	7,293	18.09
Russia	18,172	15.88
Switzerland	1,213	19.96
Ukraine	1,383	10.05
Asia	4,544	7.50
United States	49,406	14.34
	251,743	10.91

RAW FUR OUTPUT HIGHER LAST YEAR

Prices for Leading Types Showed Some Improvement in 1933

Canada's production of raw furs in the twelve months ended June 30, 1933, was valued at $10,305,154, as compared with $10,189,481 in the preceding season and $11,803,217 in the season 1930-31. These totals represent the values of pelts taken by trappers and pelts from fur farms. Value of the latter constituted approximately 30 per cent of the whole in each of the past two seasons and about 26 per cent in 1930-31.

As in former seasons, silver fox is of first importance with respect to total value, with muskrat second, mink third and beaver fourth. Increases in number are recorded for muskrat, mink and beaver but the number of silver fox pelts declined to 102,706 from 107,496 in the previous season. Compared with the previous season, higher average prices were recorded for fisher, silver fox, white fox, mink, muskrat, skunk and wolf, and lower prices for the other kinds.

Value of Furs Taken in Canada, by Provinces

	Season 1932-33 $	Season 1931-32 $
P. Edward Is.	466,244	693,314
Nova Scotia	477,742	403,882
New Brunswick	593,748	549,329
Quebec	1,558,458	2,334,262
Ontario	2,167,407	1,857,452
Manitoba	856,289	689,396
Saskatchewan	1,201,038	1,043,739
Alberta	1,074,917	877,348
British Columbia	668,030	576,102
Northwest Terr.	1,095,226	1,032,394
Yukon	146,035	132,268
	10,305,154	10,189,481

FOREST WEALTH PLAYS BIG PART IN QUEBEC'S LIFE

Many Thousands of Workers Employed and Millions Spent on Supplies

Forestry operations play a vital part in the economic welfare of the province of Quebec and its French-speaking populace. For three centuries and more lumbering in its various forms has been the means of livelihood for a large percentage of the population and a source of new wealth unequalled by any other form of natural resource.

The prosperity of the forestry industry has fluctuated with world conditions, for the province is a large exporter of sawn lumber and various manufactured forms of wood products, notably pulp and paper. Looked at from the long range point of view Quebec's forests have been a stabilizing influence on the economic activity of the province.

Four Main Areas

Forestry operations at one time were carried on in all parts of the province, but since the turn of the century operations have tended toward concentration in a few districts where conditions are exceptionally favorable for the development of forest industries. These districts may be roughly classified as the Saguenay, Lower St. Lawrence, Gatineau and the St. Maurice Valley. In these areas forestry has been developed on a more extensive scale than in any other part of the province.

Though the province produces a wide variety of wood products, by far the largest proportion of the production is made up of sawn lumber and pulp and paper. The availability of large stands of spruce and coniferous trees, combined with adequate supplies of low cost power, have made Quebec the outstanding pulp and paper producer on the continent. Sawn lumber operations have not been neglected, but the rapid development of Quebec industrially in the last two or three decades has been due rather to the exploitation of the forest resources for the manufacture of pulp and paper than to any other cause. For with the development of pulp and paper industry, the water power and numerous other industries have been immeasurably helped.

The forest industries provide employment for many thousands of workers in the bush and in the mill. At the same time the activity of this form of economic endeavor has a widespread influence on other operations, such as transportation, clothing trades, meat packers, etc., etc.

Some idea of what the forests of Quebec mean to the welfare of the province may be had by examining the needs of a moderate size newsprint mill, say of 250 tons daily capacity.

A mill of this size will require 100,000 cords of pulpwood a year in order to run at capacity. It will require a crew of 7 men under a trained forester approximately two months to locate the wood, cruise and map the country and prepare reports in preparation for operations.

It would take about 500 men in the neighborhood of five months to cut and skid this amount of wood, and in the neighborhood of half that number six months or more to haul, drive and finally deliver the pulpwood to the mill.

Eighty teams of horses would be required during the hauling season, and one-half that number during the cutting and skidding season.

Cost Nearly $1,000,000

The business described, i.e., the delivery of 100,000 cords of wood to the mill represents at this point an expenditure of approximately $1,000,000 outside of the capital invested in plants.

At the mill where the wood is delivered there are approximately 200 men employed.

The foregoing figures apply to one mill of only 250 tons daily capacity. Considering the fact that Quebec has about 4,000 tons daily capacity in newsprint machines, it would be necessary to multiply the foregoing figures 17 times in order to visualize what the pulp and paper mills of the province mean to Quebec when they are operating at capacity.

Other Branches Important

The pulp and paper represents only one branch of the forestry industry. There are various specialties, such as the manufacture of laths, poles, ties, flooring, etc., while the principal task of producing sawn lumber provides employment to many thousands of workers and places many millions of dollars into circulation.

Thus the prosperity of the forestry industry in Quebec has a vital bearing on the buying power of the French-Canadian and, in turn, influences the sale of merchandise.

Quebec Area Impressive

Quebec has an area of 594,434 square miles, or some 5,000 square miles more than the combined areas of France, Germany and Spain.

A CITY within a City

THE MOUNT ROYAL HOTEL, with its superior room and restaurant service, its salons and lounges, its own smart shops—is not only a restful home for the traveller away from home, but also a very complete little city within the metropolis. One need scarcely step beyond the doors of this great hotel to obtain all that one may require.

For entertainment of an evening there is plenty within doors at the Mount Royal with Charles Dornberger and his celebrated Victor-Recording Orchestra dispensing alluring dance music in the main restaurant.

Courteous but unobtrusive service anticipates your every wish. An excellent cuisine serves a variety of restaurants—from the main dining room to the coffee shoppe—and affords one fine quality of cooking at a variety of prices. Room rates are most reasonable.

Mount Royal Hotel
MONTREAL

J. ALDERIC RAYMOND, *Pres.* VERNON G. CARDY, *Man. Dir.*

Paper Mill Troubles Brought to Conclusion

From Our Own Correspondent

MONTREAL.—James MacLaren Co., of Masson, P.Q., and the J. R. Booth Co., Ottawa, have reached an agreement with their men over a wage dispute which threatened to tie up operations. Paper makers of these two mills will now work for the same wages prevailing in 1932.

The 300 employees of the E. B. Eddy Co., Hull, are also asking for an increase in their wages and a conference between the men and officials is expected to result in a mutually satisfactory agreement.

Failures on the Decline

Commercial failures in Quebec last February numbered 71. This compares with 85 for the same month last year.

Head Office — Montreal

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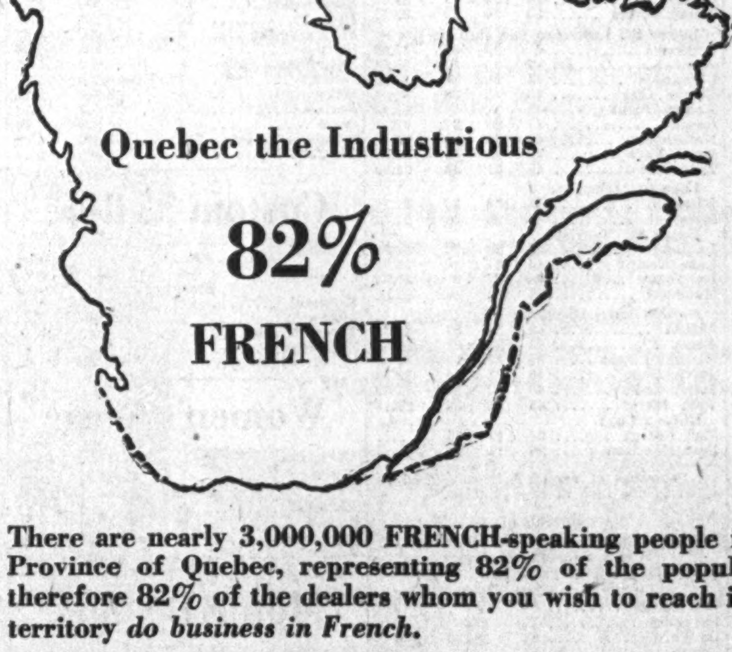


Where Population is Densest

There are nearly 3,000,000 FRENCH-speaking people in the Province of Quebec, representing 82% of the population, therefore 82% of the dealers whom you wish to reach in this territory *do business in French.*

Many manufacturers selling the Quebec trades and those whose names are now household words early recognized the value of trade newspaper advertising. Long before they had ever planned a nation-wide campaign, they tried their 'prentice hand at publicity in LE PRIX COURANT, and the wisdom of their choice was soon proved. They reached their objective — the retailer in whom they inspired confidence by showing faith in their goods by first advertising them in a medium read by the most discriminating French Canadian buyers.

Great oaks can still from little acorns grow. Whether you are just starting or have won much success, if you have a product to sell to the Quebec trade, you can greatly stimulate your sales by having LE PRIX COURANT bear your message to the trade.

It reaches big and little buyers alike, over 4,000, and they ever seek in it the latest and best.

May we send further details?

Published and Printed in Montreal since 1887

"LE PRIX COURANT"
Journal du Commerce

1070 Bleury Street · Montreal, Canada
Ontario Office: 481 University Avenue, Toronto, Canada

Marketing Data On French Canada

Statistical Survey of An $800,000,000 Sales Area

Living Conditions

	Apartments and Flats	Row or Terrace	Single Houses	Semi-Detached	Total Units
Chicoutimi	959	....	787	46	1,802
Granby	914	24	715	337	1,997
Hull	744	217	3,150	1,060	5,207
Joliette	775	89	516	511	1,912
Lachine	2,569	167	622	263	3,636
Levis	609	10	800	347	1,781
Montreal	148,452	3,809	8,706	8,389	169,961
Outremont	4,259	244	616	949	6,080
Quebec City	15,392	863	3,594	2,623	22,654
St. Hyacinthe	1,178	13	624	442	2,290
St. Johns	755	91	549	611	2,024
Shawinigan Falls	2,089	44	299	188	2,633
Sherbrooke	3,746	62	1,196	576	28,933
Sorel	301	14	985	520	1,832
Thetford Mines	649	50	1,058	135	1,897
Three Rivers	3,268	425	1,130	953	5,822
Valleyfield	306	235	943	580	2,105
Verdun	13,011	34	390	418	13,864
Westmount	2,214	390	1,072	1,752	5,451

Farm Occupancy

OWNERSHIP OF FARMS

Farms occupied	135,957
Occupied by owner	126,563
Percentage of total	93.09
Occupied by tenant	5,089
Occupied by part owner and part tenant	4,305

FARM FACILITIES, 1931

Gas or electric light	19,402
Radio	8,618
Telephone	26,467
Water piped in kitchen	18,641
Water piped in bathroom	11,270

FARM EXPENDITURES, 1930

Feed	$10,785,280
Farms reporting, No.	84,166
Aver. per farm reporting	$128.14
Fertilizer	$1,302,200
Farms reporting, No.	30,480
Aver. per farm reporting	$42.72
Seed	$2,705,840
Farms reporting, No.	81,005
Aver. per farm reporting	$33.40
Light and power	$ 432,420
Farms reporting, No.	18,329
Aver. per farm reporting	$24.68
Labor	$9,454,580
Farms reporting, No.	39,323
No. of weeks hired labor	785,761
Aver. per farm reporting	20
Aver. expend. per farm report	$240.43

FARM MORTGAGE DEBT, 1931

Total mortgage debt	$96,349,200
No. of farms reporting debt	42,192
Percentage of total	31.03
Aver. mtge. of reporting farms	2,284
Ratio of mtge. to value of all farms	14.20

FARM VALUES, 1931

Value of farms (Land and buildings)	$678,278,600
Average per farm	4,989
Average per acre of land	38.21
Aver. per acre improved land	75.33
Value of land only	$422,100,400
Average per farm	3,105
Average per acre	23.78
Aver. per acre improved land	46.88
Value of buildings	$256,178,200
Average per farm	1,884

FARM TAXES, 1930

Total amount of taxes	$6,650,310
Tax per acre of owned land	.39
Tax per acre of improved owned land	.78

VALUE OF OCCUPIED FARM LANDS (Per Acre)

	Quebec	Canada
1915	$51	$35
1920	70	48
1925	54	38
1926	53	37
1927	57	38
1928	54	38
1929	55	37
1930	48	32
1931	40	28
1932	37	23

Occupations

(Percentages)

	Male	Female
Agriculture	36.5	3.0
Building trades	12.3	..
Domestic service	3.1	37.1
Civil and munic. govt.	3.1	0.6
Fishing and hunting	0.8	..
Forestry	2.0	..
Manufacturers	19.6	33.5
Mining	1.0	..
Professional	2.9	15.2
Trade and merchandising	11.2	9.0
Transportation	7.5	1.6

Income Tax

(Fiscal Year Ended Mar. 31, 1933)

Classified by Occupations:

	No.	Amt. Pd.
Agrarians	8	$ 325
Professional	1,037	527,576
Employees	29,777	3,281,157
Retail merchants	999	138,140
Wholesale merchants	174	67,234
Manufacturers	169	129,612
Natural resources	18	3,592
Financial	3,077	3,042,207
Personal corp.	77	1,168,879
Family corp.	221	568,329
All others	1,888	713,485
Total	37,445	9,713,905

Classified by Amount of Income:

	No.	Amt. Pd.
Under $2,000	12,935	84,912
$2,000 to $3,000	5,949	99,336
$3,000 to $4,000	5,913	128,216
$4,000 to $5,000	3,647	140,739
$5,000 to $6,000	2,333	156,632
$6,000 to $7,000	1,467	154,967
$7,000 to $8,000	998	143,984
$8,000 to $9,000	747	163,941
$9,000 to $10,000	596	172,866
$10,000 to $15,000	1,397	796,517
$15,000 to $20,000	543	667,525
$20,000 to $25,000	304	682,636
$25,000 to $30,000	187	618,122
$30,000 to $50,000	260	1,580,628
Over $50,000	169	4,049,516

CORPORATION INCOME TAX RETURNS (Fiscal Year Ended Mar. 31, 1933)

Classified by Occupations:

	No.	Amt. Pd.
Retail merchants	186	208,351
Wholesale merchants	179	341,237
Manufacturers	461	5,145,079
Natural resources	21	73,957
Financial	376	2,716,733
Transportation and P.U.	53	2,455,742
All others	297	1,106,112
Total	1,573	12,047,211

Classified by Amount of Income:

	No.	Amt. Pd.
$2,000 to $3,000	286	20,836
$3,000 to $4,000	125	29,226
$4,000 to $5,000	93	45,480
$5,000 to $6,000	75	27,888
$6,000 to $7,000	78	42,296
$7,000 to $8,000	49	27,414
$8,000 to $9,000	52	48,516
$9,000 to $10,000	119	164,748
$10,000 to $15,000	110	181,764
$15,000 to $20,000	73	174,092
$20,000 to $25,000	54	167,858
$25,000 to $30,000	47	158,837
$30,000 to $50,000	81	432,322
Over $50,000	279	10,487,090

Telephones

1922	157,993
1924	202,392
1926	240,914
1928	276,292
1929	293,353
1930	309,582
1931	308,120
1932	283,339
1933	266,338

IN CITIES (March 31, 1934)

Montreal area	163,329
Quebec	22,363
Sherbrooke	4,727
Three Rivers	4,432
St. Hyacinthe	1,472

Radio Sets

1933

Cap de Madeleine	409
Drummondville	708
Granby	1,040
Grand'Mere	12,124
Hull	2,204
Joliette	787
Montreal	128,366
Quebec	13,629
St. Hyacinthe	1,360
St. Johns	1,039
Shawinigan Falls	910
Sherbrooke	2,978
Three Rivers	2,690
Valleyfield	969
Westmount	*

* Included in Montreal returns.

Postal Revenue

Cap de Madeleine	$ 5,222
Drummondville	26,873
Granby	28,551
Grand-Mere	12,124
Hull	32,302
Lachine	6,200
Montreal	4,565,106
Quebec	651,283
St. Hyacinthe	41,318
St. Jerome	18,036
St. Johns	30,520
Shawinigan Falls	25,538
Sherbrooke	123,624
Three Rivers	80,359
Valleyfield	17,325
Westmount	38,213

Climate

Temperature and Rainfall

Quebec:	Max.	Min.	Mean	Total annual *precip. (inch)
	Monthly aver. of normal daily temp. (degrees)			
Middle St. Lawrence River:				
Bark Lake Depot	50	27	38	32.72
Beauceville	50	27	38	32.18
Berthierville	50	30	40	33.80
Brome	50	31	40	34.92
Cedars	50	33	41	27.17
Drummondville	50	30	40	49.41
Farnham	51	31	41	40.07
Huberdeau	50	29	40	34.62
Joliette	51	29	40	32.70
Lake Megantic	48	29	38	38.53
Maniwaki	53	26	40	25.26
Montreal	50	35	42	40.65
Nicolet	49	31	40	37.66
Nominingue	49	27	38	32.15
Quebec	47	30	38	42.06
St. Lin	50	28	39	33.77
Sherbrooke	50	31	41	36.95
Sorel	50	29	39	32.53
Three Rivers	50	30	40	38.71
Lower St. Lawrence and Gulf:				
Anticosti	41	29	35	31.90
Armagh	47	28	37	36.54
Causapscal	45	24	34	32.66
Clarke City	43	23	33	42.60
Father Point	43	27	36	33.95
Gaspé	47	27	37	32.11
Natashquan	41	24	32	35.48
Seven Falls	47	23	35	50.88
Tadoussac	45	31	38	24.19
Lake St. John:				
Mitassini	43	23	33	31.77
Roberval	45	26	35	27.84
Upper St. Maurice:				
La Loutre Rapids	43	23	33	34.28
Lake Kempt	44	17	30	33.71
La Tuque	48	27	37	31.85
Manouan	46	22	33	27.52
Northwestern Districts:				
Abitibi	42	24	33	26.38
Amos	43	21	32	32.56
Mistissini Post	38	19	30	32.41
Quinze Dam	49	23	36	35.38
Spirit Lake	43	22	32	32.39
Ville Marie	48	24	36	29.15
Hudson Bay:				
Fort George	34	17	25	....
Fort Harrison	26	11	18	....

* 10 inches of snowfall is calculated as equal to one inch of precipitation.

Sunshine

Normal Monthly and Total Duration of Bright Sunshine in Hours

	Jan.	July	Total for Year
Cap Rouge	57	231	1,659
Farnham	79	226	1,736
La Ferme	92	232	1,684
Lennoxville	82	235	1,765
Montreal	77	246	1,829
Quebec	84	224	1,765
Ste. Anne de la Pocatière	91	247	1,862
Sherbrooke	70	248	1,789

Highways

	Miles
Improved earth	137
Gravel and crushed stone	13,239
Water-bound macadam	1,354
Bituminous macadam	180
Bituminous concrete	534
Cement concrete	127
Total surfaced	16,292

Retail Sales Outlets in Quebec

	Montreal	Quebec	Three Rivers	Sherbrooke	Hull	St. Hyacinthe	Valleyfield	St. Johns	Shawinigan Falls	Joliette	Chicoutimi	Levis	Sorel	Granby	Thetford Mines
General Merchandise	645	76	29	33	20	20	10	20	19	17	11	7	11	13	16
Dept. and general, over $100,000	20	8	3	6	11	..	2	1	1	..	..	..	1	1	1
Dry goods stores	405	24	13	12	..	14	5	12	7	12	3	2	7	5	2
Other general stores	131	34	10	13	7	2	1	4	10	3	6	5	1	5	11
Variety, 5, 10 & 15 to $1	89	10	3	2	2	4	2	3	1	2	2	..	2	2	2
Clothing and Apparel	1,614	184	38	44	36	28	18	25	19	21	10	12	21	16	14
Men's and boys' clothing	64	6	..	..	..	..	..	..	..	..	..	..	..	..	..
Men's furnishings	131	9	..	..	..	..	..	..	..	..	..	..	..	..	..
Men's clothing and furnishing	110	22	10	9	10	7	3	3	4	3	2	1	4	1	2
Hats and caps	21	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Children's specialty	13	2	..	..	..	..	..	..	..	..	..	..	..	..	..
Women's ready-to-wear	199	28	3	11	..	3	1	1	..	3	1	..	5	1	2
Clothing (general)	95	11	4	..	5	1	4	8	7	4	2	2	4	4	3
Millinery	214	30	7	9	6	6	4	4	5	4	2	4	3	4	3
Shoes	256	31	5	4	9	5	1	3	1	3	1	4	3	3	1
Furriers	97	16	3	3	1	..	..	..	..	..	..	..	..	..	..
Custom tailors	241	24	4	4	3	5	2	2	2	2	2	1	..	3	3
Dressmakers	51	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Hosiery and knit goods	29	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Others	93	10	..	..	..	..	..	..	..	..	..	..	..	..	..
Automotive	657	88	26	30	23	16	18	9	12	8	8	12	..	12	7
Motor vehicle dealers	87	9	7	10	5	8	..	3	8	1	4	2	..	4	..
Tire and battery shops	30	12	..	..	..	..	..	..	..	..	..	..	..	..	..
Filling stations	209	24	8	8	10	1	..	4	3	2	1	3	..	2	..
Garages	302	35	8	11	6	6	..	1	4	4	1	7	..	4	..
Bicycle and motorcycle	24	6	..	..	..	..	..	..	..	..	..	..	..	..	..
Aircraft and motorboat	5	2	..	..	..	..	..	..	..	..	..	..	..	..	..
Furniture and Household Materials	206	19	7	5	6	8	4	5	2	5	3	6	5	4	..
Furniture	90	6	..	..	..	..	..	..	..	..	..	..	..	..	..
Drapery, etc.	11	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Floor coverings	15	..	..	..	..	..	..	..	..	..	..	..	..	..	..
China, glassware	12	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Household appliances	25	4	..	..	..	..	..	..	..	..	..	..	..	..	..
Sundry	47	9	..	..	..	..	..	..	..	..	..	..	..	..	..
Food	6,413	771	222	151	224	72	66	69	56	71	53	54	83	47	34
Bakeries*	75	18	..	..	..	4	1	..	1	3	..	..	1	..	..
Confectionery stores	2,329	162	37	41	83	6	25	22	9	11	13	8	13	8	6
Dairy products	33	1	..	..	..	..	..	..	..	..	..	..	..	..	..
Eggs and poultry	44	1	..	..	..	..	..	..	..	..	..	..	..	..	..
Milk dealers*	78	25	..	..	..	6	8	3	..	8	1	1	1	..	..
Delicatessen	51	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Fruits and vegetables	159	10	6	..	5	2	1	1	1	4	..	..	8	..	..
Groceries	2,755	403	131	88	109	45	20	36	33	37	28	33	48	26	22
Meat markets	836	142	42	15	25	9	9	6	12	7	11	11	11	13	6
Fish markets	29	2	1	..	1	..	..	..	..	..	..	..	..	..	..
Coffee, tea and spice	17	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Other	12	7	..	..	..	..	..	..	..	..	..	..	..	..	..
Restaurant	654	118	18	18	34	6	2	8	5	7	3	4	4	9	8
Restaurants	351	47	12	6	7	..	..	..	..	..	..	..	..	..	..
Lunch counters, etc.	303	71	6	12	27	..	..	..	..	..	..	..	..	..	..
Lumber and Building	389	56	10	16	14	10	5	8	11	7	4	6	..	4	4
Building and roofing materials	50	9	1	4	3	..	..	..	..	..	..	..	..	..	..
Electrical stores	27	3	1	2	2	..	..	..	..	..	..	..	..	..	..
Hardware stores	238	23	5	4	6	..	..	4	6	..	..	..	..	..	..
Plumbing, paint, etc.	74	21	3	6	3	..	..	..	..	..	..	..	..	..	..
Other Retail Stores	2,325	276	73	63	45	38	29	24	34	24	24	24	28	17	21
Bookstores and libraries & stationery	108	7	..	..	..	..	..	..	..	..	..	..	..	..	..
Coal and wood dealers	316	37	14	8	14	6	7	7	4	..	3	5	4	..	..
Ice dealers	30	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Drug stores	381	37	11	11	4	3	..	..	4	..	3	4	..	..	..
Feed stores	17	11	2	2	..	..	..	..	..	..	..	..	..	..	..
Farm implements & machinery	26	..	2	2	..	..	..	..	..	..	..	..	..	..	..
Florists	96	6	..	..	..	..	..	..	..	..	..	..	..	..	..
Toy and gift shops	51	8	..	..	..	..	..	..	..	..	..	..	..	..	..
Jewellery	155	35	8	5	5	6	4	3	3	..	..	5	4	4	..
Leather, luggage and harness	27	6	..	..	..	..	..	..	..	..	..	..	..	..	..
Musical and radio	119	17	..	..	..	..	..	..	..	..	..	..	..	..	..
Office and store equipment	51	9	..	..	..	..	..	..	..	..	..	..	..	..	..
Opticians	42	5	..	..	..	..	..	..	..	..	..	..	..	..	..
Scientific and medical supplies	12	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Seeds, bulbs, etc.	10	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sporting goods	16	1	..	..	..	..	..	..	..	..	..	..	..	..	..
Tobacco stores and stands	287	50	9	9	..	..	..	..	..	..	..	..	..	..	..
Not otherwise specified	†591	26	26	22	22	23	8	10	19	24	18	10	20	13	21
Secondhand	135	26	..	..	..	..	..	..	..	..	..	..	..	..	..
Auto parts	13	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Clothing	38	7	..	..	..	..	..	..	..	..	..	..	..	..	..
Furniture	28	8	..	..	..	..	..	..	..	..	..	..	..	..	..
Other	61	11	..	..	..	..	..	..	..	..	..	..	..	..	..

*Incomplete, as some bakeries and milk dealers make returns to Census of Industry.

†Includes 301 taverns and beer parlors.

Survey Distribution Agencies

Restaurants

	No. of Outlets	Total Sales	Per Capita
Montreal	654	$16,270,990	$16.69
Quebec	61	1,017,700	7.79
Three Rivers	18	218,400	6.16
Sherbrooke	17	234,800	8.12
Hull	24	197,200	6.70
St. Hyacinthe	6	62,800	4.67
St. Jean	8	39,500	3.51
Shawinigan Falls	5	41,900	2.73
Joliette	7	76,500	7.11
Chicoutimi	3	38,700	3.26
Levis	4	31,400	2.68
Sorel	4	10,900	1.06
Granby	8	51,000	4.82
Thetford Mines	8	34,400	3.21

Custom Tailors

	No. of Stores	Total Sales	Sales per Capita
Montreal	241	$2,682,900	$2.75
Quebec	24	174,800	1.34
Three Rivers	4	41,400	1.17
Sherbrooke	4	29,800	1.03
St. Hyacinthe	5	23,800	1.77

Women's Wear

	No. of Stores	Total Sales	Sales per Capita
Montreal	199	$7,232,200	$ 7.42
Quebec	25	982,900	7.53
Sherbrooke	11	416,400	14.39
Sorel	5	60,000	5.87

Motor Dealers

	Motor Vehicles Outlets	Used Cars Outlets	Total Sales	Sales per Capita
Montreal	80	7	$24,850,700	$25.48
Quebec	9	.	2,504,600	19.18
Three Rivers	7	.	780,500	22.02
Sherbrooke	10	.	1,142,000	39.47
Hull	5	.	313,100	10.64
St. Hyacinthe	8	.	639,400	47.55
Chicoutimi	4	.	520,900	43.86
Granby	4	.	254,900	24.08

Education

Five years and over	2,044,181
Read and write	1,814,953
Read only	17,955
Illiterate	211,273

Chain Store Operations

	Independents No. of Stores	Independents Sales (1930)	Independents Sales per Store	Local, Sectional and National Chains No. of Stores	Chains Sales (1930)	Chains Sales per Store	% Total Sales
Montreal	2,382	$41,659,900	$17,490	373	$19,552,200	$52,420	31.9
Quebec	363	6,367,300	17,540	40	1,881,800	47,045	22.8
Sherbrooke	79	1,484,200	18,790	9	422,100	46,700	22.1

RETAIL DRUG STORES

	Independents No. of Stores	Independents Sales (1930)	Independents Sales per Store	Local, Sectional and National Chains No. of Stores	Chains Sales (1930)	Chains Sales per Store	% Total Sales
Montreal	323	$7,918,900	$24,515	58	$2,777,900	$46,170	26.0
Quebec	29	585,200	20,180	8	781,900	97,740	57.2

FILLING STATIONS

	No.	Sales	Sales per Station	No.	Sales	Sales per Station	%
Montreal	95	$2,194,500	$23,000	114	$3,024,500	$26,530	58.0

RESTAURANTS

	Independents No. of Stores	Independents Sales (1930)	Independents Sales per Store	Local, Sectional and National Chains No. of Stores	Chains Sales (1930)	Chains Sales per Store	% Total Sales
Montreal	594	$11,199,990	$18,855	45	$5,036,800	$111,930	31.0

WOMEN'S READY-TO-WEAR STORES

	Independents No. of Stores	Independents Sales (1930)	Independents Sales per Store	Local, Sectional and National Chains No. of Stores	Chains Sales (1930)	Chains Sales per Store	% Total Sales
Montreal	276	$7,677,600	$27,815	32	$1,818,600	$56,830	19.2

RETAIL SHOE STORES

	Independents No. of Stores	Independents Sales (1930)	Independents Sales per Store	Local, Sectional and National Chains No. of Stores	Chains Sales (1930)	Chains Sales per Store	% Total Sales
Montreal	189	$4,655,400	$24,630	67	$3,127,400	$46,680	40.2

Men's Clothing

	No. of Stores	Total Sales	Sales per Capita
Montreal	326	$10,245,700	$10.50
Quebec	37	1,017,900	7.79
Three Rivers	10	323,100	9.11
Sherbrooke	9	332,100	11.48
Hull	10	126,000	4.28
St. Hyacinthe	7	207,400	15.42
Valleyfield	3	105,900	9.28
Joliette	3	36,000	3.34
Shawinigan Falls	4	113,300	7.38
Sorel	4	158,600	15.37

Furniture

	No. of Stores	Total Sales	Sales per Capita
Montreal	96	$7,824,700	$ 8.02
Quebec	6	380,900	2.92
St. Hyacinthe	4	164,700	12.25

Drug Stores

	No. of Stores	Total Sales	Sales per Capita
Montreal	381	$10,696,800	$10.97
Quebec	37	1,367,100	10.47
Three Rivers	11	230,900	6.51
Sherbrooke	11	271,700	9.39
Hull	4	57,400	1.95
St. Hyacinthe	3	92,400	6.87
St. Johns	4	147,900	13.13
Shawinigan Falls	4	97,900	6.38
Chicoutimi	3	49,600	4.18
Levis	4	73,700	6.29

Grocery Stores

	No. of Stores	Total Sales	Sales per Capita
Montreal	2,775	$61,212,100	$62.77
Quebec	403	8,249,100	63.16
Three Rivers	131	1,558,700	43.97
Sherbrooke	88	1,906,300	65.89
Hull	109	1,847,800	62.78
St. Hyacinthe	45	504,100	37.49
Valleyfield	20	821,100	71.96
St. Johns	36	572,800	50.89
Shawinigan Falls	33	709,400	46.23
Joliette	37	553,200	51.39
Chicoutimi	28	268,700	22.62
Levis	33	600,400	51.21
Sorel	48	337,300	32.68
Granby	26	275,200	25.99
Thetford Mines	22	243,900	22.79

Fur Shops

	No. of Stores	Total Sales	Sales per Capita
Montreal	97	$3,696,900	$3.79
Quebec	16	389,100	2.98

Filling Stations

	No. of Stores	Total Sales	Sales per Capita
Montreal	209	$5,219,000	$5.35
Quebec	24	568,700	4.35
Three Rivers	8	182,200	5.14
Sherbrooke	8	148,600	5.14
St. Jean	4	73,100	6.49
Shawinigan Falls	3	23,700	1.54

Departmental

DEPARTMENT AND GENERAL STORES WITH ANNUAL SALES OVER $100,000

	No. of Stores	Total Sales	Sales per Capita
Montreal	20	$71,819,100	$73.65
Quebec	8	3,965,100	30.36
Sherbrooke	6	1,006,400	34.78
Hull	11	319,500	10.86

Shoe Stores

	No. of Stores	Total Sales	Sales per Capita
Montreal	256	$7,782,800	$ 7.98
Quebec	31	575,100	4.40
Three Rivers	5	249,600	7.04
Sherbrooke	4	106,900	3.69
Hull	9	140,100	4.76
St. Hyacinthe	5	148,400	11.04
Joliette	3	143,700	13.35
Levis	4	59,000	5.03

Meat Markets

RETAIL MEAT MARKETS WITH GROCERIES AND FISH MARKETS

	Meat Stores	Fish Stores	Total Sales	Sales per Capita
Quebec	142	.	$2,888,200	$22.12
Three Rivers	42	1	621,300	17.53
Hull	25	1	350,200	12.17
St. Johns	6	1	134,800	11.98
Joliette	7	1	127,000	11.80
Sorel	11	1	138,300	13.40

RETAIL MEAT MARKETS AND MEAT MARKETS WITH GROCERIES

	No. of Stores	Total Sales	Sales per Capita
Montreal	836	$25,386,000	$26.03
Sherbrooke	15	273,300	9.45
Granby	13	252,400	23.84
Thetford Mines	6	77,600	7.25

Music Shops

MUSIC, MUSICAL INSTRUMENTS AND RADIO

	No. of Stores	Total Sales	Sales per Capita
Montreal	119	$7,867,000	$8.07
Quebec	17	504,100	3.86

Production

Per Capita Income

1933	$286
1932	305
1931	375
1930	456
1929	623
1928	690
1927	550
1926	450

Farm Products

	1932	1933
	Bushels	
Wheat	999,000	952,000
Oats	44,639,000	51,024,000
Barley	3,116,000	2,938,000
Rye	77,000	98,000
Peas	318,000	320,000
Beans	55,000	36,000
Buckwheat	3,163,000	2,794,000
Mixed grains	2,846,000	3,010,000
Flaxseed	18,700	14,000
	Cwts.	Cwts.
Potatoes	8,663,000	9,516,000
Turnips, etc.	15,647,000	19,300,000
	Tons	Tons
Hay & clover	4,874,000	5,270,000
Alfalfa	1,300,000	1,404,000
Fodder corn	2,402,000	2,200,000
Sugar beets	319,000	330,000

Forestry

TIMBER CUT M.F.B.M.

1922	1,201,797
1924	1,970,656
1926	2,092,146
1928	1,672,184
1930	1,893,713
1931	1,295,508
1932	906,660

VALUE OF PRODUCTION

1922	$46,829,316
1924	60,216,383
1926	67,065,982
1928	52,630,648
1930	58,102,453
1931	35,742,966
1932	19,216,197

Apples

(Commercial Crop) In Barrels

1926	111,600
1927	104,600
1928	105,950
1929	187,180
1930	129,000
1931	154,300
1932	258,000
1933	265,000

Fertilizer

SALES IN 1931 AND 1932

	1931	1932
	Tons	
Nitrate of soda	892	612
Sulph. of ammonia	2,543	1,894
Nitrochalk	47	112
Calcium nitrate	56	...
Bone phosphate	...	...
Superphosphate	25,776	15,189
Basic slag	5,309	4,778
Bone meal	38	49
Bone flour	105	...
Muriate of potash	2,006	1,336
Sulphate of potash	144	240
Potash manure salts	...	...
Tankage	25	137
Sheep manure	44	1
Other	70	115
Total fertilizer	37,057	24,463
Total mixed	20,686	14,295
Grand total	57,743	38,758

Millinery Shops

	No. of Stores	Total Sales	Sales per Capita
Montreal	214	$1,931,700	$1.98
Quebec	30	191,100	1.46
Three Rivers	7	37,700	1.06
Sherbrooke	9	30,000	1.04
St. Hyacinthe	6	25,800	1.92
Valleyfield	4	5,600	.49
St. Jean	4	18,000	1.60
Joliette	4	14,800	1.37
Levis	4	13,100	1.12
Granby	4	9,300	.88

Agricultural Wealth

1932

Lands	$ 328,025,000
Buildings	257,918,000
Equipment	97,270,000
Livestock	73,949,000
Poultry	5,980,000
Animals (fur)	1,418,000
Production	226,446,000
Total	$1,366,725,000

Value of Crops

	1932 $	1933 $
Wheat	695,000	849,000
Oats	18,369,000	16,963,000
Barley	1,557,000	1,620,000
Rye	67,000	58,000
Peas	458,000	477,000
Beans	56,000	93,000
Buckwheat	1,341,000	1,835,000
Mixed grains	1,384,000	1,395,000
Flaxseed	25,000	25,000
Corn for husking	....	....
Potatoes	7,229,000	10,216,000
Turnips, etc.	3,248,000	3,591,000
Hay & clover	34,343,000	32,175,000
Alfalfa	285,000	163,000
Fodder corn	1,325,000	1,400,000
Total	70,382,000	70,855,000

Fur Farming

1931

No. of farms	2,043
Value of land, etc.	$1,314,061
Value of animals	$1,830,316

1930

No. of farms	1,996
Value of land, etc.	$1,698,954
Value of animals	$3,686,377

Maple Sugar

	Quantity Lb.	Value
1927	9,104,174	$1,183,543
1928	13,090,029	2,094,405
1929	11,112,534	2,000,256
1930	7,576,204	1,212,193
1931	4,726,000	756,000
1932	6,681,000	585,000
1933	5,400,000	432,000

Maple Syrup

	Quantity Gallons	Value
1927	1,423,986	$1,922,381
1928	909,846	1,510,019
1929	1,666,880	2,767,021
1930	1,538,190	2,399,590
1931	737,000	1,061,300
1932	1,142,000	1,142,000
1933	844,700	836,300

Dairy Products

	1931 $	1932 $
Dairy butter	3,312,000	2,016,000
Creamery butter	14,970,698	13,269,365
Home-made cheese	29,000	22,500
Factory cheese	2,905,355	2,716,380
Misc. products	2,511,183	1,680,780
Fresh milk	15,433,000	19,476,000
All products	39,161,736	39,962,525

Milk Production

1932

	lbs.
Total output	4,224,417,000
Made into:	
Creamery butter	3,519,067,000
Dairy butter	325,399,000
Home-made cheese	2,800,000
Factory cheese	828,845,000
Misc. products	18,189,000
Consumed fresh	1,028,117,000

Farm Poultry

1933

	No.	Value
Hens	6,750,000	Values Not Available
Turkeys	132,900	
Geese	80,000	
Ducks	87,500	
Total	7,050,400	

1932

	No.	Value
Hens	8,113,800	$3,517,000
Turkeys	162,500	286,000
Geese	78,700	100,000
Ducks	90,100	77,000
Total	8,445,100	3,980,000

Tobacco

OUTPUT IN 1933

	Lbs.
Cigar leaf	4,029,000
Large pipe	1,854,400
Small pipe	211,600
Total	6,095,000

Garages

	Garages No.	Others in Group No.	Total Sales	Sales per Capita
Montreal	301	1	$8,847,200	$9.07
Quebec	35	.	1,291,300	9.89
Joliette	4	.	24,500	2.28
Levis	7	.	263,700	22.49
Granby	4	.	96,000	9.07
Three Rivers	8	3	134,400	3.79
Sherbrooke	11	1	295,900	10.23
Hull	6	2	117,500	3.99

Autos in Cities

Jan. 1, 1933

Montreal	63,226
Quebec	10,714
Sherbrooke	2,705
Verdun	2,979
Westmount	2,625
Three Rivers	2,265
Outremont	1,674
Hull	1,465
Lachine	1,090
Granby	1,018
Shawinigan Falls	809

Gasoline

GASOLINE CONSUMPTION

1932	Gallons
Motor vehicles	91,816,749
Average	511
1931	
Motor vehicles	83,231,068
Average	465
For all uses	88,681,459

Tourists

TOURIST AUTOMOBILES

	24 Hours	60 Days	Up to 6 Months
1926	97,354	164,047	376
1927	191,438	190,261	655
1928	193,811	271,871	91
1929	203,668	319,942	215
1930	268,538	380,020	1,412
1931	244,770	400,748	417
1932	222,801	313,243	102

SPENT BY TOURISTS IN QUEBEC HOTELS

1929	$9,209,000
1930	8,657,000

Note

Material on the Quebec market, as set forth on this page, has been collected from official sources. Records of the Provincial Bureau of Statistics, Dominion Bureau of Statistics and The Financial Post Year Book have been consulted. Except where specifically mentioned, the data used comes from the returns compiled during the Federal Census of 1931.

Summary of Quebec Market

	Population	No. of Stores	No. of Employees	Salaries and Wages	Sales	Stocks on Hand	Sales per Capita
Montreal	975,161	13,038	52,601	$54,409,900	$410,594,200	$60,582,900	$421
Quebec	130,594	1,614	5,599	4,946,900	40,143,900	8,559,500	307
Three Rivers	35,450	423	1,229	1,057,100	9,899,300	1,808,200	279
Sherbrooke	28,933	366	1,138	1,140,600	9,545,100	1,899,500	330
Hull	29,433	402	881	651,500	5,999,900	1,077,400	204
St. Hyacinthe	13,448	198	462	402,300	4,263,200	993,300	317
Valleyfield	11,411	142	361	304,900	3,914,700	894,700	343
St. Johns	11,256	168	359	301,900	3,361,200	738,200	298
Shawinigan Falls	15,345	158	367	319,100	3,132,100	832,900	204
Joliette	10,765	160	373	283,600	2,708,400	911,900	252
Chicoutimi	11,877	116	262	257,700	2,560,700	593,100	216
Levis	11,724	125	289	246,500	2,516,300	560,900	215
Sorel	10,320	162	280	191,300	2,292,700	501,200	222
Granby	10,587	121	214	189,800	2,112,900	547,700	200
Thetford Mines	10,701	104	223	179,600	1,906,000	492,100	178

Quebec Merchandise Sales

	Automotive	Food	General Merchandise	Apparel	Lumber	Furniture	Restaurant
Montreal	$40,402,300	$120,199,600	$71,819,100	$40,104,100	$18,570,300	$11,452,300	$16,270,900
Quebec	4,756,300	3,721,400	12,649,900	656,100	6,987,900	2,378,600	2,118,700
Three Rivers	1,097,100	2,528,100	1,668,700	1,206,600	586,300	392,000	218,400
Sherbrooke	1,586,500	2,569,100	2,275,800	1,021,200	641,500	68,100	250,100
Hull	576,300	2,448,700	773,200	389,800	434,300	32,400	878,700
St. Hyacinthe	774,900	830,600	389,300	527,100	371,900	288,400	62,800
Valleyfield	324,200	1,031,100	541,900	376,100	336,800	187,100	......
St. Johns	628,100	935,100	428,100	379,400	126,400	304,100	39,500
Shawinigan Falls	256,700	1,049,600	502,200	321,400	389,400	......	41,900
Joliette	197,300	797,900	460,700	264,200	401,400	69,000	76,500
Chicoutimi	608,300	643,700	490,400	276,200	149,800	130,100	38,700
Levis	539,800	781,500	136,300	119,200	93,700	143,400	31,400
Sorel	213,600	532,700	475,400	463,600	......	79,700	10,900
Granby	388,400	592,500	430,600	284,900	20,100	101,900	51,000
Thetford Mines	280,400	342,300	683,100	244,700	111,400	......	34,400

WOOD, ALEXANDER LOSS IS SMALLER, LIQUIDS STRONG

Finds Business Improving Since Last Summer Among Customers

Though maintaining the usual strong working capital position, Wood, Alexander & James found the year ended January 31, 1934, sufficiently difficult to cause a drop in earned surplus from $28,801 to $3,743 after depreciation and interest. The net loss at $25,058 was less than half of that in 1932, however, and before depreciation and interest the company was able to show an operating profit of $6,342 as against a net loss of $23,624 in the preceding year.

These two years will likely prove to have constituted one of the most difficult periods in the commercial life of Canada, according to S. H. Alexander, president. There was a low volume of business in the first quarter but business improved progressively in the late summer. The increased demand for merchandise came not only from the retail hardware merchant but also from the factory and contractor accounts, an indication of general improvement in conditions.

INCOME AND SURPLUS ACCOUNT
Years Ended January 31

	1934	1933
	$	$
Net earnings	6,342	‡23,624
Less: Depreciation	15,380	16,418
Bond interest	16,020	17,428
Net loss	25,058	57,470
Add: Previous surplus	28,801	86,271
Balance carried for.	3,743	28,801

Working Capital

	1934	1931
	$	$
Current assets	683,041	695,303
Current liabilities	62,486	45,316
Working capital	620,555	649,987
Ratio	10.93—1	15.34—1

In current assets Dominion bonds still stand at $50,688. Cash is down from $94,197 to $70,226, but it is apparently being used more actively in the business as accounts receivable have advanced from $129,438 to $151,725. Inventories at $410,413 are only $10,000 lower than a year earlier.

Bills and accounts payable went up from $36,946 to $54,837, though bond interest at $7,650 is $720 lower than the $8,370 shown a year earlier.

Common Equity $9.72

Six per cent first mortgage bonds dropped from $279,000 to $255,000 through operation of the sinking fund. That total is covered 2.43 times by net current assets alone.

Though $650,000 7 per cent first preference stock has been in dividend arrears since July 31, 1931, it also has an equity in net current assets of $365,535 and the remaining $284,465 is amply covered by depreciated fixed assets of $560,052.

The remainder of fixed assets, $275,587, covers outstanding 7 per cent 2nd preference stock of $212,400, leaving $63,187 to apply against 6,500 no par value common shares, or an equity of $9.72 a share. The 2nd preference stock is in arrears since January 31, 1925.

MELCHERS SELL AMERICAN TYPE WHISKY STOCKS

No Details of Deal as Yet — Dividend Action is Foreseen

From Our Own Correspondent

MONTREAL.—Melcher's Distilleries Ltd. have concluded an agreement with United States interests for the sale of its entire holdings of American type whisky.

Official confirmation of this deal is given by Hon. Victor Marchand, president, who states that the new company holds approximately 550,000 gallons of American type whisky. The purchasers will take delivery within a period of a year.

No official statement is forthcoming as to the price at which the sale has been concluded, Mr. Marchand stating that until such time as the board has formally ratified the sale, this information would not be divulged. He stated, however, that the agreement had been signed with the full cognizance of the board and the president.

At present Melcher's Distilleries financial position is satisfactory. The company intends to begin paying off arrears on the A stock as soon as funds are derived from the sale of United States interests. On March 15, 1934, the arrears on the A stock amounted to $7 a share, or $700,000 on the 100,000 shares outstanding.

TRADERS FINANCE POSITION BETTER

Operating Profits Higher and Inactive Assets Written Off

Traders Finance Corp. had net operating profit of $97,269 in the year ended Dec. 31, 1933, compared with $4,593 in the preceding year. Surplus carried forward was reduced $540, however, after adding $47,480 gained from preferred stock cancellation, and writing off bad debts of $67,186, underwriting expense of $77,449 and adjustments of $654. The surplus carried forward was $402,931.

No dividends were paid during 1933. The company has again been appointed official finance company for the Ford Motor Co. of Canada, and Rt. Hon. Arthur Meighen, president, anticipates a substantial increase in business in 1934.

Mr. Meighen explains in his report that the debts written off consist entirely of old accounts in the Prairie Provinces, and that underwriting expense has been entirely written off. Bank loans were entirely eliminated. New business, he stated, was confined largely to Ontario, Quebec and British Columbia. Collections on the prairies were "as satisfactory as could be expected," he said.

St. Catherine-Stanley Interest Defaulted May 1

St. Catherine-Stanley Realty Corp., operating the "Castle Building," Montreal, defaulted interest on its 6½ per cent, first mortgage bonds, due 1946, on May 1, it is understood.

The company's first mortgage bond issue was originally for $1,000,000. This has been reduced to $914,000 by operation of the sinking fund, it is said. The sinking fund, however, has been in arrears for some time.

A. J. MacDonald Becomes Partner in Bongard & Co.

Alfred James MacDonald has become a partner in the member firm of Bongard & Co., and his entry has been approved by the managing committee of the Toronto Stock Exchange.

Mr. MacDonald joined Bongard & Co. in 1928. Previous to that he had had wide banking experience for 17 years with the Bank of Nova Scotia in various domestic and foreign branches.

New Chairman

BRIG.-GEN. G. ERIC McCUAIG Appointed chairman of the board of Walkerville Brewery, Ltd. He is the senior partner of McCuaig Bros. & Co.

ECONOMIC TRUST NET WAS $36,538 74C PER SHARE

Value of Investments Are Increased 53.7% in Year

Economic Investment Trust had a net profit of $29,379 after paying bond interest in the year ended March 31, 1934, compared with $36,538 in the 1933 year. This is the equivalent of 74 cents a share on the common stock for the 1934 year, compared with 92 cents in the preceding year. Dividends of 50 cents per share were paid.

The income and surplus account is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended March 31

	1934	1933
	$	$
Divids., int. & other inc.	90,934	98,327
Less: Office & gen. ex.	7,950	7,907
Directors' fees	2,500	2,500
Interest, exch., etc.	168	300
Bond interest	48,014	48,664
Fees	1,648	1,856
Income tax	1,280	563
Net profit	29,379	36,538
Less appropriations:		
Dividends	19,965	29,945
Surplus for year	9,414	6,593
Add: Previous surplus	89,140	82,548
Balance carried for.	98,554	89,141

Glyn Osler, president, reports that a net loss of $64,736 was suffered in connection with changes in investments. This was charged to investment reserve. Investments, less this undisclosed reserve, were shown in the balance sheet at $3,063,965, or $48,494 less than the year previous. Actual market value of investments at March 31, 1934, is reported at $1,762,639. This compares with $1,197,631 in 1933, a gain in the year of 53.7 per cent. Mr. Osler comments:

"As is always the case, there is a lag between the time that stock market prices begin to rise and the resumption or increase of interest payments or dividends; consequently, although the market valuation of the capital of the trust has improved, the income is somewhat less than last year. There seems to be reason to hope that revenues of industrial and other companies will show improvement over last year and that as a result the income of your trust will show some improvement before the date of the next balance sheet."

Bonds outstanding were reduced $3,000 in the year to $959,500.

BREWING PROFITS OF WALKERVILLE $11,106 IN 1933

Current Assets 38.6 Times Current Liabilities—Sales Increasing

Walkerville Brewery, Ltd. gross profits in 1933, including miscellaneous revenue, amounted to $233,608 and net profits to $11,106, after depreciation and taxes or nearly 3 cents a share on 375,000 shares. Current assets were 38 times current liabilities, a strong situation which had been anticipated because recent sale of the company's stock to the public was accompanied by a balance sheet indicating that successful financing would result in a very strong working capital situation. In 1932 net profits were $3,366 before income tax.

	1933	1932
	$	$
Gross profit	233,608	224,170
Taxes and expenses	189,869	181,236
Net earnings	43,739	42,934
Depreciation	30,883	39,567
Gross profit	12,856	3,366
Inc. tax provision	1,750	*9,295
Net profits	11,106	d5,929

* Actual tax paid in 1932. d Deficit.

Herman D. Radner, president, in remarks to shareholders states that since 1933 business has shown a marked increase. The board feels, he says, that they have every reason to be optimistic with regard to the future of the company. He believes the coming into force of the new Ontario liquor legislation, providing for sale of beer and wine in hotels, restaurants and other premises, will give a satisfactory and practical method of distribution which will greatly increase the consumption of beer in Ontario. He considers that the company, with its modern plant, adequate brewing facilities and old-established brands, is in a good position to take advantage of the new conditions. The new law may prove effective in stimulating tourist trade again, he suggests.

Working capital position is strong, the following table being after giving effect to recent sale of stock both as of Jan. 1, 1933, and December 31, 1933:

Working Capital

	Dec. 31, 1933	Jan. 1, 1933
	$	$
Current assets	327,169	331,236
Current liabilities	8,473	24,474
Working capital	318,696	306,762
Ratio	38.6—1	13.5—1

The two statements show cash and government bonds dropping from Jan. 1 to December 31 from $181,303 to $112,899. The higher rate of brewing brought inventories up from $146,019 to $207,896. Accounts payable dropped from $24,474 to $8,473.

Brewers and Distillers Propose Name Change

Shareholders on May 15 Asked to Approve Recapitalization Plan to Return Capital to Them as Spirits Inventory Sold in United States

Brewers & Distillers of Vancouver, motivated by a desire to give shareholders a chance to get a capital return from its expected success in selling excess inventories of distilled liquors in the United States, is reorganizing its capital structure much along the lines suggested as likely in The Financial Post some time ago.

It is forming a new company called Vancouver Brewers & Distillers, Ltd., with a capital of $15,750,000, consisting of 3,125,000 5 per cent non-cumulative redeemable preferred shares of $4 par value, and 3,250,000 common shares of $1 par value. Of these shares there will be transferred to the present company 3,044,920 preferred shares and 3,044,920 common shares to distribute to holders of present 6,089,840 shares outstanding on the basis of one-half share new preferred and one-half share new common for each share now held.

The new company will take over all the assets of the present company and from time to time as funds are available from the sale of matured liquors, the new preferred shares will be redeemed either by drawings or purchase. To redeem it entirely would require $12,500,000. As capital is thus returned to shareholders the remaining common stock will come more into line with expected future conditions when the United States market is fully supplied from domestic sources.

At the end of 1933 accounts showed company had paid $577,748 dividends at the rate of 10 cents a share, out of surplus mainly. Surplus still stands at $1,977,756 and stocks of beer and spirits were shown at $3,235,129, a normal figure. Current assets were $3,145,407 in excess of current liabilities with $400,000 cash.

American & Distilling Co. sells and distributes the company's products in the United States. It has also acquired a one-third interest in two Seattle breweries.

Further statement as to success to date this year is hoped for from the officials at the annual meeting in Vancouver on May 15.

AD. CLUB MEMBERS MEET IN TORONTO

Two-day Convention Features Prominent Speakers, Entertainment

Two days of profit and pleasure for advertising men of Ontario and United States border cities are scheduled for Toronto, May 18 and 19. From 10 a.m. on Friday to midnight on Saturday complete arrangements have been made by the Advertising Affiliation to entertain and instruct members of the Cleveland, Erie, Pittsburgh, Rochester, Buffalo, Hamilton, London and Toronto advertising clubs.

Prominent among the speakers are Dr. Stephen Leacock, world-famous Canadian humorist, who will address the banquet Friday night on "The Philosophy of Publicity—with illustrations"; P. D. Saylor, president of Canada Dry Ginger Ale, New York, feature speaker at the Saturday morning session, his subject being "Canada's Ambassador to the World"; H. Napier Moore, editor of Maclean's Magazine, subject, "Maybe I'm Wrong."

Others who will contribute include E. S. LaRose, of Rochester, Homer J. Buckley, of Chicago, direct-mail authority; A. M. Miller, of Chrysler Corp. of Canada. I. A. Hirschmann, of Lord & Taylor, New York, and L. J. Harrington, of F. W. Woolworth & Co., Toronto, will be feature speakers at a discussion of retail selling at Saturday afternoon's session.

Prince Edward Hotel Business is Improving

Prince Edward Hotel Co., of Windsor, is barely meeting operating expenses and taxes, but its business is now showing improvement, The Financial Post is informed. Rates have been reduced with the result that occupancy is now back to around the average level of 1932, it is said.

National Trust Co., trustee for the first mortgage bonds, is keeping closely in touch with operations of the hotel, it is understood. A bondholders' committee has been organized by Detroit investors. C. H. Donnelly, 949 Penobscott Building, Detroit, is secretary of the committee.

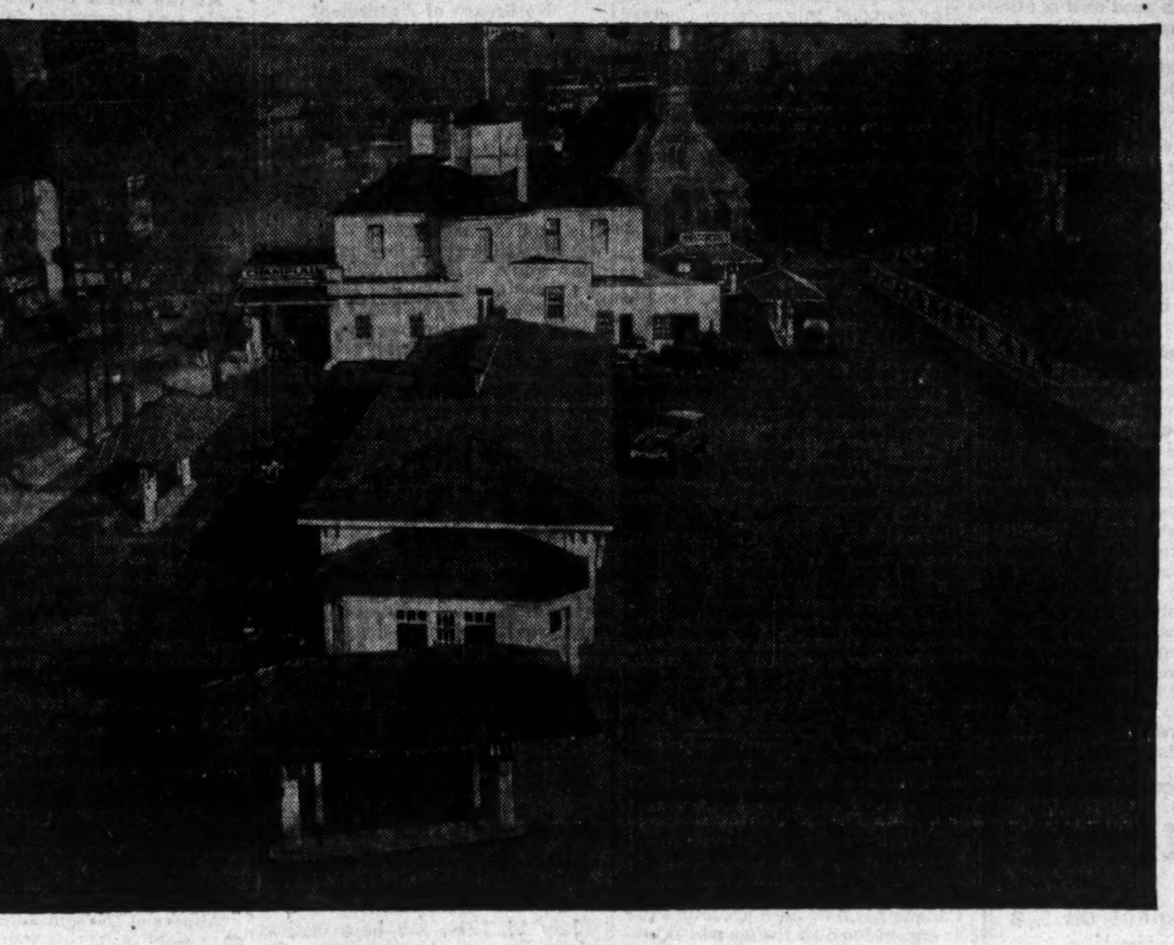
According to the latest available information, there are outstanding $715,000 of 7½ per cent first mortgage bonds of the Border Cities Hotel Co. which was taken over by Prince Edward Hotel Co. These bonds are in default. While United Hotels Co. holds nominal control of Prince Edward Hotel through ownership of the common stock, management appears to be effectively under the supervision of the trustee and bondholder interests. A reorganization of the property may ultimately develop, The Financial Post is informed, but in present circumstances, with no substantial profits being earned, this matter has been deferred pending more stable business conditions. The revival in the motor car industry in the Border Cities area is believed to have helped the hotel appreciably.

St. Louis-de-Chambard Pays Interest Due Jan. 1, 1933

Trustees of the parish of St. Louis-de-Chambord, Lake St. John county, Quebec, have been authorized to deposit with the bank funds to cover payment of coupons due in January, 1933.

Holders are, therefore, requested to present these coupons for payment.

ONE of the 647



CHAMPLAIN
Offers Motorists 647 Convenient Purchasing Points

(Reading time, 2 minutes, 10 seconds)

FROM a horse-drawn vehicle used for lamp oil deliveries by Firmin Hotte in 1882, to an organization owning and operating a Refinery, an Oil Blending Plant, Wholesale Distributing Centres and 647 Modern Service Stations, is the Champlain story "in a nutshell".

When Champlain Oil Products Limited was organized December 28th, 1932, it represented the amalgamation of a number of independent companies in Montreal and vicinity—merged for the purpose of effecting improvements and economies and thereby making available to users of gasoline and oil, better products and better service *at no extra cost!*

CHAMPLAIN Oil Products are:

GASOLINE	ALSO
Champlain Benzol	Champlain Penmark Motor Oil
Champlain Purple	Champlain Motor Oil
Champlain White	Champlain Fuel Oils

Penmark Motor Oil has been marketed in Montreal for the past 13 years. It was the original 100% Pure Pennsylvania Oil to be introduced in this district.

- We take this occasion to express to old customers our appreciation of their loyalty; to new customers our appreciation of their confidence; and to those who are not yet customers, the hope that we may soon be of service to them.

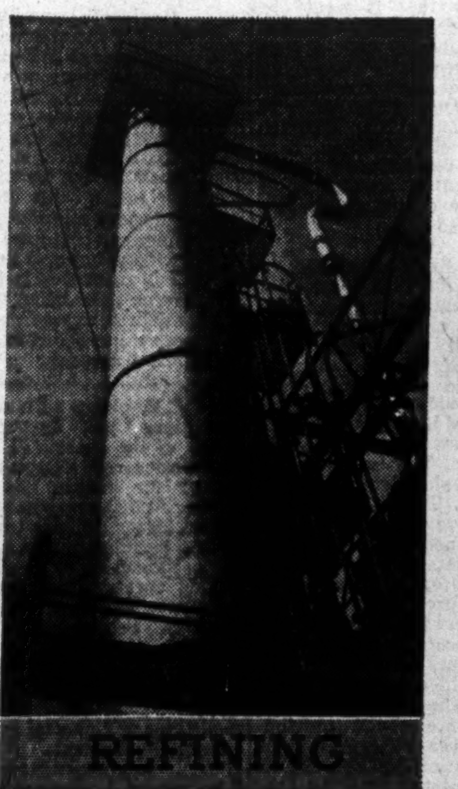
- This New Service Centre opens up Clarke Street between Sherbrooke and Milton Streets. It provides a new trans-island artery and a convenient short-cut which motorists are welcome to use—and thereby avoid the heavy traffic on St. Lawrence at this point.

THIS Station covers the entire block bounded by Sherbrooke, St. Lawrence, Milton and Clarke Streets and is one of Champlain's 647 outlets in the Province to give prompt, convenient and dependable service to the motoring public. It has the distinction of being the largest service station in the entire Dominion and is equipped with 20 visible Gasoline Pumps—dispensing gasoline on all sides of the Station; 6 Greasing Pits; 2 Free-Wheel Hoists for greasing and tire work; 2 Service Floors for tire, battery and general service work; and a Service Bureau which will issue licenses, distribute maps and give authentic information about routes, hotels and resorts.

The station is manned by a large crew of skilled workmen, so that the motorist may drive in and get immediate service.

- *The* **Champlain** *organization is a complete unit—covering every step from Crude Oil to "Climatized" Gasoline.*

TRANSPORTATION



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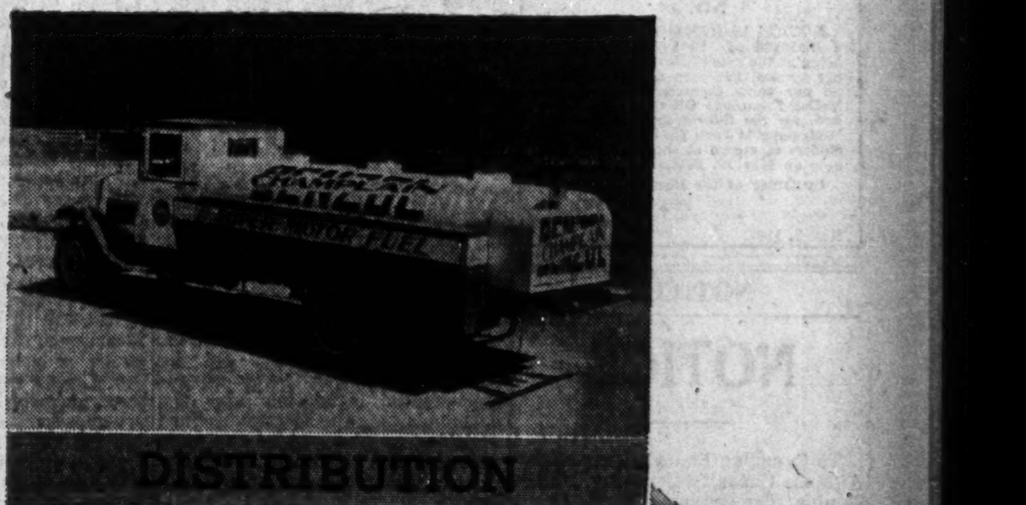

DISTRIBUTION

CHAMPLAIN
OIL PRODUCTS LIMITED • MONTREAL

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

For Sale

WILD DUCK EGGS (MALLARD) FOR sale for hatching, also young ducklings, for country estates. W. G. Neave, Crieff Hills Farms, R.R. No. 2, Puslinch, Ont.

Chartered Accountant Available

Chartered Accountant, University graduate, desires change; thorough knowledge of Accounting, Auditing and Office Management. Excellent references.

Box 302, The Financial Post, Toronto

Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

Meetings Reported

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to ensure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND No. 284

NOTICE is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after FRIDAY, the FIRST day of JUNE next, to Shareholders of record at close of business on 30th April, 1934.

By Order of the Board.

W. A. BOG
General Manager

JACKSON DODDS
General Manager

Montreal, 20th April, 1934.

Belding-Corticelli
Limited

DIVIDEND No. 78

Notice is hereby given that on the Preference Stock of this Company, the Directors have declared a Quarterly Dividend of 1¾%, payable on the 15th day of June to Shareholders of record at the close of business the 31st day of May.

By Order of the Board,

D. F. POLLOCK,
Secretary.

The Canadian Bank of Commerce

Dividend No. 189

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st May, 1934, and that the same will be payable at the Bank and its Branches on and after Friday, 1st June next, to shareholders of record at the close of business on the 30th April, 1934. The Transfer Books will not be closed.

By Order of the Board.

S. H. LOGAN,
General Manager.

Toronto, 20th April, 1934.

Borden's

COMMON STOCK DIVIDEND No. 97

A quarterly dividend of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable June 1st, 1934, to stockholders of record at the close of business, May 15, 1934. Checks will be mailed.

THE BORDEN COMPANY.
E. L. Noetzel, *Treasurer.*

McCOLL-FRONTENAC OIL COMPANY LIMITED

COMMON STOCK DIVIDEND NO. 19

NOTICE IS HEREBY GIVEN that a Dividend of 20 Cents per share, being at the rate of 80 Cents per share per annum, has been declared on the no par value Common Stock of the McColl-Frontenac Oil Company, Limited, for the Quarter ending May 15, 1934, payable June 15, 1934, to Shareholders of record at the close of business on May 15, 1934.

By Order of the Board,

FRED HUNT,
Secretary.

May 2, 1934.

NOTICES

NOTICE

To Canadian Policyholders of the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A.

On June 1, 1933, the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A., reinsured, with the Indemnity Insurance Company of North America, Philadelphia, Pennsylvania, U. S. A., all of its unexpired policies, outstanding obligations and liabilities. On June 16, 1934, application will be made to the Minister of Finance for the release of its securities deposited and now held by the Receiver General and any Canadian Policyholders opposing such release should file their opposition with the Minister of Finance on or before that date.

ALLIANCE CASUALTY COMPANY,

FRANK A. EGER,
Secretary.

NFLD. SEAL CATCH BEST SINCE 1931, COD OUTLOOK FAIR

Help From Commission Will Send Men to Labrador, Provide Bait

Newfoundland's 1934 sealing season closed the most successful in recent years, the total catch of approximately 225,000 seals being the largest since 1930 although 17 vessels were engaged in that year as compared with 8 this year. Total value of the catch will be approximately $300,000 and the average share for each man will be about $100.

Heartened by the success of last year's venture, after two years in which seals were extremely scarce, two additional boats joined the fleet in 1934. The S. S. Imogene again led the other vessels in total catch with 52,030 pelts, some 3,600 less than the all-time record total of the same vessel in 1933 but the second highest individual catch ever recorded.

Catch Best in Years

In the 19th century and during the first decade of the present one, Newfoundland's annual seal catch was many times the 1934 total, being valued at over $1,000,000, but the record this year compares favorably with any in the past twenty years.

Record of the Sealing Fleet

	Boats	Total Seals	Net Value
1910	19	333,349	$628,009
1915	13	47,004	93,479
1920	9	33,985	159,950
1925	10	127,882	269,467
1930	17	241,236	405,810
1931	10	87,866	121,115
1932	4	48,613	58,265
1933	6	176,046	191,912
1934	8	224,846	*300,000

*Estimate.

Bank Fishery Better

Successful completion of the seal fishery is widely believed to presage a good cod fishery and early indications are that this will be substantial this year. Record of schooners fishing on the Grand Banks show a good increase this year as compared with last, 18,350 quintals having been landed as compared with 17,544 quintals in 1933 despite a decline in the number of schooners engaged. In addition over 3,200 quintals have been taken by the trawler Cape Agulhas.

Due to a decision of the Commission government which will send 500 men to the Labrador fishery, the catch this year from that area should be greater than for some years past. During the last three years, lack of funds has hindered this fishery.

Bait stations have been established by the Commission at strategic points around the coast so that the Shore fishery may be conducted without loss of time due to shortage of this necessary item, a situation prevalent in past years.

Wheat

From Our Grain Correspondent

Expect Crop Below Average

WINNIPEG—The bull movement which moved prices at Winnipeg and Chicago sharply upward at the beginning of this week was based on unfavorable weather over a large part of the North American wheat growing area. The condition of the winter wheat crop in the Central States has sharply deteriorated during recent weeks, while the spring wheat states are suffering from an insufficiency of moisture for germinating the crop just seeded, with sub-soil moisture badly depleted.

In Western Canada the southern portion of Saskatchewan and part of Manitoba are extremely dry; there has been much blowing of land, with many acres left unseeded due to poor prospects. If the prospect does not improve from the present outlook, various degrees of crop failures may be looked for in the area which has suffered from drought during the past five years. Large as is the area affected, conditions in Alberta, in Northern Saskatchewan and over the greater part of Manitoba must be regarded as reasonably good.

* * *

European Prospects Poor

LIVERPOOL, however, is beginning to pay a good deal of attention to the drought in the Danubian countries, which has continued long enough to threaten the wheat crop, and also to create the prospect of the second successive short corn crop. In other Continental countries crop conditions are regarded as reasonably good, but it is quite possible for European production this year to fall several hundred million bushels below the level of the extraordinary crop of last year. But buyers are not to be hurried into accumulating supplies with existing wheat surpluses and reserves so heavy.

* * *

Price Problems Ahead

FOR the North American continent the area threatened by drought conditions is essentially the same as that which suffered last year, and while the outlook is still for somewhat greater wheat production than the very low level obtained last year, a less than average crop is all that can be expected.

For the United States a rise in prices may be justified solely by the crop outlook in that country, with the possibility ahead that the country will not need to export any wheat and can maintain prices above world levels. With the Canadian price level the situation is different, and running our prices up above world levels has proved to be a dangerous performance in the past, to the greatest extent in 1929 and again last year. Liverpool followed the North American rise only slightly, and bought sparingly of Canadian wheat, continuing to secure very large quantities of Argentine wheat at a much lower price level.

* * *

Wheat Seeding Well Forward

A LARGE percentage of seeding of the wheat crop in Western Canada has now been accomplished, as except for dust storms which prevailed over a considerable part of Southern Manitoba, interruptions have been comparatively few. It is not possible yet to get any reliable data as to the percentage reduction of wheat seeding. In some districts the comparative earliness of the season will prevent the reduction being quite as great as original anticipations suggested, but the great area which has suffered from drought during recent years is sure to show a large reduction.

From some districts complaints are coming in that farmers are unable to complete their programme, due to shortage of horsepower because of lack of feed, while a considerable number of farmers have their operations restricted because of lack of seed. Plans to fight the grasshopper menace is withholding a good deal of stubble land from seeding. But there are places where lack of coarse grains for seeding is resulting in a somewhat greater wheat acreage than formerly planned, while in some of the grasshopper districts wheat instead of coarse grains has been preferred for seeding as more likely to escape damage.

* * *

Buying Volume Small

ACTUALLY the volume of buying which moved Winnipeg prices up this week was not very great. Government holdings constitute so large a part of the market, and speculative interest has for a long time been so small that it does not take much buying to advance the market, unless the government agency decides to reduce its holdings to accommodate the new buying. Such a policy was not followed in the bull market of last year, but it had come to be believed that any substantial rise this year would have to absorb a good deal of selling on government account.

Footnotes to Ottawa

An Occasional Department of Comment on the Background of Governmental Activities in the Nation's Capital

From Our Own Correspondent

Force Wheat Exports

OTTAWA.—With about twelve weeks of the crop year remaining, it is learned here that the Dominion government intends to force wheat on the market in order to bring Canada's exports up to the Wheat Agreement total of 200,000,000 bushels. On April 27, actual exports were 116,000,000 but as the statistics do not include sales which have still to be exported, it is probable that sales run to 140,000,000 to date. This leaves about 60,000,000 bushels to be sold before the end of July and the information here is that the wheat will be marketed notwithstanding slight price losses which may result.

* * *

Garnet Act Problems

THE amendment to the Grain Act providing for the special grading of Garnet wheat has still to be considered by the Commons' agricultural committee and several interesting problems must be worked out if the legislation is not to cause considerable confusion in the trade.

In normal times the difficulties would not be embarrassing. But at the end of the present crop year, when the change will be made, there will be very large quantities of wheat which was marketed under the old Canada Grain Act. Thus there will be many millions of bushels of grades one and two northern which contain substantial parts of Garnet. Elevator companies will be under pledge to deliver this bushelage and if the Garnet is to be withdrawn, shortages may occur. The government is now endeavoring to surmount these trade problems and the final policy is likely to be announced when the committee considers the bill.

* * *

Insurance Bills Will Pass

MORE rapid progress with the business of the session is now regarded as certain. The opposition groups have decided to hold discussion on the final stages of the Marketing Bill and on the budget legislation to a minimum. These major measures will be disposed of, therefore, very rapidly. Of the remaining business, the intermediate credits legislation and the amendments to the Election Act are regarded as likely to be the most controversial. Members are hopeful of closing the session by mid-June.

The current order paper of the House of Commons confirms the Post's forecast that the insurance bills are to be made part of the government's legislative programme. Both the British and Canadian and the Foreign insurance companies acts appear under the name of Hon. E. N. Rhodes, minister of finance, and are listed as government bills. This ensures their enactment this session.

* * *

Companies Act May Be Hoisted

THE revised Companies act has been closely studied by members of the House of Commons in the past week and while many members believe its provisions are too stringent and that the Dominion might well wait until Ontario and Quebec are ready to go on with reform legislation, there is little doubt that the revised act will be approved in its present form. But the fate of the bill in the Senate is another matter. Senators are inclined to be critical and may either destroy the bill or hold it over until next year.

* * *

Meighen and Abitibi

AN INTERESTING situation has arisen in the Senate with regard to Rt. Hon. Arthur Meighen's proposal for an inquiry into his connection, as a member of the Ontario Hydro Electric Board, with the Abitibi bond guarantee. Mr. Meighen resigned from the Board on May 1 and was expected to ask last week for a special Senate committee to investigate the various charges which have been made against him. But politicians on both sides of the house got busy and appear to have delayed the investigation indefinitely.

Conservatives who are closely in touch with the Ontario situation took the view that it would be unwise to launch any investigations at this time. Liberals while at first favorable, subsequently figured out that it might not assist Mr. Mitchell Hepburn, the Opposition leader in Ontario, to have Mr. Meighen whitewashed. Mr. Meighen, it is understood, is determined to bring on an investigation as quickly as may be. If he cannot do so this year he will do so next.

* * *

Marketing Bill Amendment

HON. ROBERT WEIR, minister of agriculture, announced several important amendments to the Marketing bill this week. The importance of these changes largely escaped publicity in Canada due, no doubt, to the fact that Mr. Weir talked in such a low voice that his words were not audible in the galleries. The amendments will make it plain that the bill covers pooling. That is, marketing boards will have power to operate 100 per cent pools and to divide proceeds pro-rata among growers.

Additional safeguards will be put in the bill to protect the national treasury against unwarranted subsidies or borrowings. It has been made clear that, in the main, the government will expect marketing schemes to finance themselves. The bill permits state money contributions in order that schemes may be put into operation quickly. But it is not contemplated that the government should go on supporting marketing machinery indefinitely. Further, there is to be no compulsion, save with regard to very small minorities. The government will change the bill to make it clear that governmental schemes will not be worked out and forced upon producers. And wherever possible proposed schemes will be submitted to a vote of those affected.

* * *

C. C. F. Spurns Douglas System

THE visit of Major Douglas, author of the Douglas economic theory, to the Capital has had important consequences. Prior to Mr. Douglas' visit he possessed many staunch and loquacious disciples in the C.C.F. group. In fact the third party was generally believed to advocate the Douglas system. But after listening to Major Douglas, the C.C.F. group with one or two exceptions has turned thumbs down on the theory. Their public repudiation of Douglas may be looked for within the next six weeks. And the reason, apparently, is that Major Douglas turns out not to be a socialist nor an advocate of the socialization of credit.

This means that the Douglas scheme completely lacks proponents in Parliament. All three parties regard it as incomprehensible. Lacking supporters, the scheme ceases to be of importance in the revision of the bank act or the modelling of financial policy in the present Parliament.

Lindsay Company Sales Finally Move Upward

From Our Own Correspondent

MONTREAL.—For the first time since 1929, April sales of C. W. Lindsay & Co., Ltd., showed a monthly increase, according to the remarks of J. A. Herbert, the president, at the annual meeting of the shareholders. The increase is being continued, he said. Answering a shareholder's enquiry, the president declared that dividends would be resumed as quickly as the profits of the company warranted such action.

Saskatchewan Beekeeping Grows

Beekeeping and honey production in Saskatchewan has been increasing at the rate of 10 per cent a year for the past six years. The value of the honey crop last year was close to $100,000. More than 50 carloads of honey are imported into Saskatchewan every year, wholesalers report.

Grain and Milling in Canada

NAVIGATION OPENS ON GREAT LAKES BUT FREIGHTS FEW

Exporters Hesitant to Move Stocks Although East Storage Cheaper

From Our Own Correspondent

WINNIPEG.—Navigation on the Great Lakes was officially declared open on May 4, when several grain vessels left the head of the lakes for eastern ports. Although a fairly substantial movement of grain has taken place the movement has by no means been as heavy as had been anticipated from the very late date of opening. Exporters seemed hesitant to move grain forward much more rapidly than actually required to replace eastern stocks moving overseas, in spite of the fact that eastern storage is somewhat cheaper than is storage at Port Arthur and Fort William.

This reluctance comes partly from anticipation that lake carriers might be unable to maintain the freight rate of six cents a bushel to Montreal with which the season opened, and below which no contracts have yet been made. There was also a feeling that the government agency, which became a large holder of cash wheat when heavy deliveries were made to it on the May contract, might decide, instead of reselling the grain to exporters in its present position, to engage in the forwarding business to the extent of moving grain across the lakes, possibly becoming a dangerous competitor in the sale of wheat in eastern positions to overseas buyers.

Wheat Spread Narrows

So long as the cash grain delivered to the government agency remains in store the terminal elevator companies are able to collect their full storage rate of one thirtieth of a cent a bushel per day, and the cost of carrying to the agency in question is advanced over the very narrow spreads at which transfers from one delivery position to another have been arranged during past months.

The spread between Winnipeg May and July wheat has narrowed to three quarters of a cent per bushel, and that, in spite of the fact that overseas buyers have lately been reported as making extensive purchases for that delivery month. The current explanation is that the government agency is a steady seller in that month. It is credited with a desire to reduce its commitments in the futures market to the utmost possible extent, to avoid making more than a minimum transfer to the October future, in which it is believed as yet to have made no purchases, and also to assist the market to return to normal functioning, which would involve getting overseas buyers interested in advance deliveries.

Argentine Action is Key To Export Quota Puzzle

Strict Reading of London Agreement Shows No Breach Committed as World Exports Below Normal—Statement of 1935 Validity Expected

From Our Own Correspondent

WINNIPEG.—Argentina's position with respect to the quota under the London Wheat Agreement continues to be a matter of doubt. Reports from Washington mention futile efforts on the part of the United States Department of State to get the former country to confine her exports for the current crop year to the 110,000,000 bushels which was tentatively allotted to her under the London agreement.

While some observers profess to see in the situation a prospect of formal collapse of the London agreement, the consensus of trade opinion is rather to the effect that some formula will be arrived at to cover the fact that the Argentine will not restrict exports to the extent that would be required to keep within the quota. At present that would allow little over a million bushels a week, while half that quantity at least is required to keep up normal Argentine supplies to Brazil, which would leave very little to be sent to Europe.

No Breach of Agreement

The Argentine attitude, of course, represents no formal breach of the agreement as actually signed. So far as exports for the current crop year are concerned, Canada, the United States, Australia and the Argentine jointly committed themselves to regulate the export of wheat, after allowing for quantities exported from other countries, on the assumption that total world requirements for the current year would be 560,000,000 bushels. It seemed to be implied that these four countries would make a subsequent allotment of export quotas among themselves, after securing a declaration from Russia as to the quantity that country would export.

Although quantities of 200,000,000 bushels from Canada, 47,000,000 from the United States, 110 from the Argentine and 105 from Australia were mentioned as having been discussed, such quantities would only be possible if world trade should reach 560,000,000 bushels, and if other countries, including Russia should not supply more than 108,000,000 bushels.

World Trade Short

As total world trade is likely to fall somewhat short of 560,000,000 bushels, and Russia has given no undertaking, while exports not very great in quantity but enough to throw out a fine arithmetical balance have been made by France and Germany, it is possible that the Argentine might advance the claim that the London agreement is still intact, even though she should ship more wheat than it was expected might be allotted to her, had she been able to agree on a quota division with the other countries.

At the Rome conference a formula was suggested for allowing increased exports to the Argentine this crop year, which would regard the increase as a loan to be paid back by the Argentine reducing her exports in a subsequent year. But inasmuch as only one more crop year is involved in the London agreement, and the Argentine's quota for the second year would leave no room for any great reduction, it would seem difficult to work out this scheme, except by assuming what is not the case, and that a permanent system of international restriction of wheat exports had been agreed upon.

Normal Trade Likely

Perhaps the best guess is that trade will be allowed to take its normal course, and that the international wheat committee will make up a report after the close of the crop year, showing just what quantities of wheat were actually exported by each country, that these total less than 560,000,000 bushels, and that the obligation of each country to restrict its exports during the following year is unimpaired.

FRANCE MUST SEEK EARLY SOLUTION SURPLUS PROBLEM

Minimum Price Law Expires July 16 — Record Not Impressive

July 16, 1934, will be a critical day in France's wheat history. On that date the present fixed minimum price regulations which hold internal prices at over $2 a bushel in terms of present exchange rates, which expire, and indications are that some new method will be evolved in an attempt to solve the problem of a steadily increasing surplus and restore the balance between production and consumption.

Unable to see any hope for increasing consumption, French financial newspapers see reduced production as the only solution to the difficulty. Three distinct methods are suggested as follows:

1. Free play of supply and demand.
2. Limitation of areas sown to wheat.
3. Sequestration of a part of the crop.

Dangers Evident

Free play of supply and demand would tend toward a reduction of sowings through a lowering of the price. The danger in this plan, it is pointed out, is that the price would fall so low that distress would become extreme.

Reduction of acreage is considered, in principle, the best method of reducing production but about a year ago the French parliament found that control was practically impossible.

Sequestration of a part of the crop would involve division of the 1934 crop into two parts, one part being subject to the minimum price and the other being unsaleable and only for use on farms. This would quickly have the effect of reducing plantings.

Statistical Position

France's statistical position in July, when the new crop is ready to be harvested, will show a surplus of between 90 and 146 million bushels unsold from previous harvests, it is estimated. In addition to this the new crop may possibly be greater than average annual domestic consumption.

Abuses of the minimum price law at present in force are general, it is reported, many transactions being put through as much as 40 per cent below the legal minimum. Unless some new method of control is instituted, a great increase in this bootlegging is forecast with attendant disadvantage to those farmers who have adhered to government regulations.

Any hopes that France will soon open her market to the large exporting countries must necessarily be rather faint owing to the fact that France's experience in international wheat trade has been far from satisfactory. Government debate has clearly shown an unwillingness to again place France in a position where she is dependent on outside supplies, action of North American countries in withholding wheat in 1929 and forcing prices to uneconomic levels being well remembered.

Canada and the United States, as a matter of fact, are widely blamed for forcing adoption of France's nationalistic attitude in regard to wheat and its attendant problems. French opinion appears to be that whatever is done to straighten out the tangle, the country will definitely attempt to maintain production of as large a proportion of her annual supplies as is possible.

Enamel and Heating Up

From Our Own Correspondent

MONTREAL.—A substantial increase in business was reported at the annual meeting of Enamel & Heating Products Ltd., held this week. The first quarter of the year showed a marked improvement over 1933, with the betterment continuing into April.

Key Facts About Wheat

	Week (bu.)	Previous Week (bu.)	Same Week Year Ago (bu.)
Canadian Wheat in Store:			
Fort William (May 4)	75,203,738	74,996,719	62,767,224
Country elevators (April 27)	93,196,205	98,275,497	106,813,815
Total, all points (April 27)	208,890,505	214,276,179	219,867,969
World Shipments (incl. flour) May 4:			
North American	4,301,000	3,769,000	5,226,000
Argentine	2,072,000	2,226,000	3,352,000
Black Sea*	728,000	328,000	....
Australian	1,657,000	1,209,000	3,968,000
Total, world	9,222,000	8,012,000	12,786,000
Visible Stocks:			
Canadian, April 30	106,125,000	107,395,000	100,211,000
United States, May 4	82,134,000	84,550,000	120,201,000
Argentine, May 4	22,044,000	21,309,000	14,496,000
Australian, May 4	86,000,000	88,000,000	58,500,000
Country Marketings and Exports:†			
Canadian exports (April 27)	1,725,608	2,226,498	4,456,698
Cumulative to April 27 (39 weeks)	116,018,321	112,765,115	175,284,277
Prairie marketings (April 20)	1,981,649	2,173,112	2,647,944
Cumulative to April 20 (38 weeks)	194,371,889	190,656,416	326,839,276
Country deliveries, May 4‡	1,461,000	2,321,000	2,581,000
Country loadings, May 4‡	4,074,560	5,412,606	4,111,910

*Includes South Russia. †Excluding flour. ‡Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to May 8, 1934

Crop year from Aug. 1, 1933 High	Low		Open May 2	High for week	Low for week	Close May 8
		Wheat				
.95	.59¼	May	.64⅝	.69¼	.64¼	.69¼
.71½	.62¼	July	.66⅝	.70½	.65⅝	.70½
.71⅞	.66⅜	Oct.	.67½	.71⅞	.67⅛	.71⅞
		Oats				
.48½	.29½	May	.31	.34¼	.30⅝	.34¼
.38⅝	.30⅞	July	.32¼	.35⅜	.31⅝	.35⅜
.36¼	.32½	Oct.	.33⅜	.35⅝	.32⅞	.35¼
		Barley				
.59¾	.32½	May	.34	.38¼	.33⅞	.38¼
.44⅝	.35	July	.35¼	.39½	.35¼	.39¼
.43⅛	.37¼	Oct.	.37½	.41⅜	.37¼	.41⅜
		Flax				
1.71½	1.15	May	1.47⅜	1.54⅜	1.47½	1.53½
1.58	1.39½	July	1.49	1.55⅜	1.48⅜	1.56¼
1.55	1.40	Oct.	1.47	1.54½	1.46⅜	1.54
		Rye				
.68½	.39¼	May	.41¼	.46¼	.41	.46
.53½	.41⅜	July	.42⅜	.47⅜	.42½	.47¾
.52⅛	.43½	Oct.	.45	.49⅛	.44½	.49⅛

Ottawa Still Cogitating On $50,000,000 Programme

From Our Own Correspondent

OTTAWA.—Details of the proposed National public works programme published in the daily press is described in ministerial circles as completely unofficial. Many projects are being included in these forecasts which cannot, in the nature of things, find their way into the final list.

It is evident that great pressure is being exerted by members of Parliament, regardless of party, to obtain as generous an allocation as possible. There are some four or five lists of works now before the government. These lists have been prepared by the various departments and by outside organizations.

The Public Works department has a list, also the Marine, Railways and National Defence departments. In addition, the construction association has prepared a list which has been lodged with Mr. Bennett.

Apparently the government will compile the final list out of the five and while there is much duplication in them, the final choice will require a good deal of selection. The $50,000,000 total is to spread across Canada on a basis of population and according to provinces.

CANADA'S PORTION CHINA TRADE CUT

Wheat Imports in 1933 Came Chiefly from Australia and Argentine

Canada, in 1933, obtained the smallest proportion of China's wheat requirements of any year since this trade began in 1921. Wheat trade with China during the year was featured by the increased proportion taken by Australia and the entry of Argentina as an exporter, the latter country actually exporting more wheat than Canada.

China's wheat imports in 1933 were the second largest in the history of the trade, being only exceeded by the 1931 record total. Over 39,000,000 bushels having a value of $23,500,000 were imported as against 33,500,000 bushels in 1932 and 50,000,000 bushels in 1931.

Exports to China of the four leading export countries during the past five years were as follows:

Wheat Exported to China
(in short tons)

	Canada	U.S.A.	Australia	Argentine
1933 ..	107,200	900	925,500	148,200
1932 ..	182,300	199,600	615,400	8,400
1931 ..	220,400	272,800	991,900	......
1930 ..	64,000	37,100	83,000	......
1929 ..	283,000	27,700	66,300	......

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TORONTO — MONTREAL

Central Manitoba Reports Ore Sufficient Until July

Bullion production of between $38,000 and $40,000 during April, as compared with about $47,000 for the previous month has been announced by Central Manitoba Mines. It is also reported that new ore has been found in the Growler Workings' lower levels, and with what is already in sight will keep the mill running until some time in July. The vein shows a width of about five feet with values of between $9 and $10 gold per ton.

While the extent of the new find is unknown, exploration and diamond drilling will be continued.

Sullivan to Trade Shares On Basis of 87 For 100

The syndicate which, at the beginning of the year, undertook to finance Sullivan Gold Mines, has now converted the balance of the option, according to official information, and the company must make the exchange of its shares to those of the Sullivan Consolidated Mines, on the basis of 87 shares of Sullivan Consolidated mines for every 100 shares held in the old company.

Shareholders will meet on May 21 to ratify the agreement. The principal shareholders of Sullivan Consolidated have, it is reported, consented to pool more than 1,000,000 shares for 12 months.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING MAY 7

Range 1934 High	Range 1934 Low	Divd. Rate in $	Yield in % May 5		Sales	Close Apr. 30 (or last)	Week Ending May 7 High	Low	Close
				A					
2.50	.90	.	...	Abitibi	3614	1.90	2.25	1.75	1.75
10½	4½	.	...	Do. pref. 6%	328	9½	9½	9	9½
7½	5½	.	...	Do. cert. dep.	540	7½	7½	7	7
x80	80	.	...	Acme F. D'y	....	..	..	..	..
8¼	6	20c	...	Agnew Surp.	360	7	8	7	7
90	72	7	7.9	Do. pref.	5	85	88	88	88
7	3	.	...	Alta. Pac. Gr.	25	3½	3½	3½	3½
28	16	.	...	Do. pref.	....	22	..	..	..
2¼	2¼	.	...	Amal. Electric	....	2½	..	..	..
14	10	.	...	Do. pref.	40	12	14	14	14
x3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
13½	9½	.	...	Asbestos, v. t.	421	13½	15	10½	10½
13	9½	25c	...	Assoc. Brew.	150	11½	11½	11	11
92	85	7	7.6	Do. pref.	30	91	92	92	92
4½	4½	.	...	Assoc. Can.	....	4½	..	..	..
				B					
145	138	10	7.2	Bk. Can. Nat.	200	140	140	140	140
203	167	8	4.1	Bk. Montreal	329	197	198	195	198
278	260	12	4.5	Bk. N. Scotia	93	265	265	264	265
210	161½	10	4.8	Bk. Toronto	119	200	210	202	206
16⅞	16⅞	.	...	Barcelona	....	16⅞	..	..	..
8⅜	3	.	...	Bathurst Pr.	2696	7	7½	6½	6¾
3⅜	1⅞	.	...	Do. (B)	25	3⅛	2½	2½	2½
1⅞	1⅞	.	...	Bawlf Grain	....	1¼	..	..	..
12	7	.	...	Do. pref.	....	10½	..	..	..
4	3⅛	.	...	Beath & Sons	16	3¾	3¾	3¾	3¾
10	6¾	.	...	Beatty Bros. A	....	8¼	..	..	..
85½	69	6	7	Do. pref.	55	85½	85	85	85
9¼	3½	.	...	Beauharnois	1700	7	7½	6¼	6¾
80	65	4	6	Belding Cort.	....	60	..	..	..
100	97	7	7	Do. pref.	....	100	..	..	..
120	110	6	5	Bell Telephone	1233	119½	120	119	119½
12	7½	50c	...	Biltmore Hats	25	10	9	9	9
93	85	7	7.5	Do. pref.	....	93	..	..	..
5	2	.	...	Bissell, T. E.	10	5	4	4	4
29	28	.	...	Do. pref.	....	28	..	..	..
5½	4	.	...	Blue Ribbon	10	5	4½	4½	4½
32	23	2	6.8	Do. pref.	8	29	30	29	30
25	22	2	8.1	Brant. Cord. pf	50	25	24½	24½	24½
14⅝	10½	.	...	Brazilian Tr.	14573	10⅝	11½	10½	10¾
2.95	1.60	10c	...	Brew. & Distil.	8905	1.70	1.75	1.60	1.60
11	5⅛	.	...	Brewing Corp.	9129	10⅛	10¾	8⅝	8⅝
32	15¼	.	...	Do. pref.	8056	30¼	31¼	27½	28¼
10	10	10c	...	Bright, T. G. c	....	10	..	..	..
16⅝	12½	80c	5.3	Brit. Amer. Oil	5892	15	15¼	14¾	14¾
3¾	2¼	.	...	B. C. Packers	447	3	3	2½	2½
13	10	.	...	Do. pref.	35	11	11½	11½	11½
32⅞	22⅞	1.50	5.2	B. C. Power A	2372	29	29½	29	29
8⅜	4½	.	...	Do. (B)	1805	6½	6⅞	6	6
22	16	1	5.6	Bruck S. Mills	2285	19½	19½	17	17½
28½	16½	1	4.4	Building Prod.	130	22¼	23	22¼	22¼
34	27	2	6.1	Burt, F. N.	395	33	34	32¼	32¼
				C					
x125	125	6	...	Calgary Pr.	....	..	..	..	..
5⅛	3	.	...	Canada Bread	490	3⅞	3⅞	3½	3½
50	30	.	...	Do. pref. A	....	35	..	..	..
15	8	.	...	Do. pref. B	....	13	..	..	..
12	7½	.	...	Canada Bud	1445	10⅝	10½	9½	9½
12	6⅝	.	...	Canada Cement	3225	8⅜	8½	7½	7⅝
53	32	.	...	Do. pref.	868	45½	46	45	45
b29½	21	1	4	Canada Dry	7417	25¾	26	21	21½
6¼	4	.	...	Can. Forg. A	....	4½	..	..	..
4	4	.	...	Do. (B)	....	4	..	..	..
x15	15	.	...	Canada Iron	....	..	..	..	..
52	50	3	6	Do. pref.	....	50	..	..	..
§*425	425	20	...	Canada Life	....	..	..	..	..
35½	28	1.50	4.5	Can. Malting	2705	34	33⅞	31½	31½
22⅛	16½	1+10c	5.2	Can. Nor. Pr.	771	21	21	20¾	20¾
100	88½	7	7.1	Do. pref.	52	99	99	98	98½
.10	.10	.	...	Can. Paving	....	.10	..	..	..
4	4	.	...	Do. pref.	....	4	..	..	..
140	117	8	6.3	Can. Perman.	25	130	130	125	125
3.75	.70	.	...	Can. Steamsh's	85	3.00	3.25	3.00	3.00
9	2½	.	...	Do. pref.	660	8½	8¾	7½	8
27½	21½	1.60	6	Can. Vinegars	185	26¼	26½	26	26½
25	22½	.	...	Can. W. Cable	30	25	22½	22½	22½
13½	5½	.	...	Do. (B)	50	10	12	12	12
4	2⅛	.	...	Can. Bakeries	5	2½	2½	2½	2½
12	10	.	...	Do. pref.	....	10	..	..	..
166	127	8	5	Can. Bk. Com.	57	160	161	159	159
27	17	60c	2.3	Can. Bronze	205	27	26	26	26
102	95	7	...	Do. pref.	....	102	..	..	..
8½	6	.	...	Can. Canners	240	7¼	7¼	7	7
88½	75	6	6.9	Do. 1st pfd.	40	86	86	85	85
10½	8⅜	30c	8.2	Do. 2nd pfd.	205	9	9½	8⅞	9
9⅞	6½	.	...	Can. Car & F'y	1840	7⅝	7⅝	6⅞	7
16	11½	.	...	Do. pref.	325	14	14⅛	12⅞	12⅞
22½	16	.	...	Can. Celanese	660	19⅝	20⅝	19	20
120	104	7	6	Do. pref.	8	116	117	117	117
45	30	2	5	Can. Convert.	15	40	40	40	40
72	41	4	5.9	Can. Cottons	25	68	68	68	68
92	70	6	6.7	Do. pref.	1	90	90	90	90
34½	20	1	4.3	Can. Dredge	438	23	23½	22½	22½
106½	106½	7	6.6	Do. pref.	....	106½	..	..	..
65	65	6	9.2	Can. Fairb. pf.	35	....	66	65	65
18	9	25c	...	Can. For. Inv.	130	16	18	17	18
95	80	8	8.4	Do. pref.	....	95	..	..	..
150	124½	.	...	Can. Gen. Elec.	....	150	..	..	..
62½	59	3.50	5.6	Do. pref.	227	62	62½	62	62½
§6½	4	30+2½c	...	Can. G. Inv. T.	....	6⅛	..	..	..
76	54½	6	8.4	Can. Hyd. E. p	118	71½	72	70	71½
13	10	.	...	C. Ind. Alc. n	325	11½	11½	10	10
18	14	.	...	Do. pref.	45	16¼	14¼	14	14
20½	10	.	...	C. Ind. Alc. A.	14316	13⅝	16⅜	10	11
19⅛	10½	.	...	Do. (B)	1605	12½	13⅛	10½	10¾
170	148	3.50	2.1	Can. Indust. B.	5	161¼	170	170	170
137	128	7	5.1	Do. pref.	....	137	..	..	..
†5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
20	20	.	...	Do. pref.	....	20	..	..	..
40	20	1	3.3	Can. Lt. & Pr.	....	30	..	..	..
2	1½	.	...	Can. Locomo.	....	1½	..	..	..
b4½	2	.	...	Can. Marconi	8120	2¾	2⅞	2⅛	2½
15½	12	50c	3.8	Canadian Oil	200	15	13½	13	13
108	92	8	7.4	Do. pref.	10	105	108	108	108
18½	12½	.	...	Can. Pacific	16087	16	17	15⅝	16
3	2	.	...	Can. Vickers	....	2	..	..	..
6¼	4½	.	...	Do. pref.	....	5	..	..	..
§49	46	2	...	C. West'ghouse	....	49	..	..	..
11½	7½	10c	...	Can. Wineries	420	8	8	7½	7½
16¼	13	.	...	Can. Wire Box	415	14½	14	14	14
8⅜	8½	.	...	Catelli Mac. (A)	....	8½	..	..	..
2¼	2	.	...	Do. (B)	10	2⅛	2⅜	2⅛	2⅛
§245	245	8	...	Cent. Can. L'n	....	245	..	..	..
9	7½	60c	7.5	Champ. Oil, p.	2732	7½	8	7½	7½
3.50	1.60	.	...	Chem. Research	15190	2.22	2.28	1.60	1.84
14⅛	5	.	...	City Gas & El.	225	6¼	5½	5¼	5¼
.80	.40	.	...	Claude Neon	300	.50	.50	.45	.45
11	6	.	...	Cockshutt Plow	1277	7½	7⅞	6½	7
1.50	.50	.	...	Comm. Alcohol	230	.70	.80	.70	.75
2	2	.	...	Conduits	....	2	..	..	..
†94	84	.	...	Do. pref.	....	..	..	..	..
12½	7¼	.	...	Cons. Bakeries	1126	10	10	9	9
1.50	.40	.	...	Cons. Indust.	115	.50	.50	.50	.50
8¼	1¼	.	...	Cons. Paper	3495	3⅜	3½	3⅛	3½
11½	6	.	...	Cons. Press	5	10½	8	8	8
x35	30	.	...	Cons. Sand. p.	....	..	..	..	..
170½	132	1.50	...	Cons. Smelters	2820	162	164	149	151
182	165	10	5.6	Consumers' Gas	160	178	180	179	179
23	23	.	...	Corr. P. Box p.	....	23	..	..	..
10½	5⅝	.	...	Cosgrave Brew.	260	9	9	8⅜	8⅜
11⅜	7⅞	.	...	Cosmos Imp.	115	11	11	11	11
93	80	3.50	3.8	Do. pref.	....	98	..	..	..
4½	2	.	...	Crown Dom. Oil	375	3½	3⅛	3½	3½
20	16	2	...	Crow's N. Coal	....	20	..	..	..
				D					
1	1	.	...	David & Fre. B	....	1	..	..	..
2	1	.	...	Do. (A)	....	2	..	..	..
4½	1	.	...	De Havilland	106	2½	2½	2½	2½
30	22	.	...	Do. pref.	....	24	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
6	6	.	...	Do. pref.	....	6	..	..	..
26½	15	.	...	Distill-Seagram	17730	19	19	16	16⅞
§8	7	.	...	Dodge (A) pf.	....	7	..	..	..
§2	2	.	...	Do. (B)	....	2	..	..	..
186	163	10	5.7	Dom. Bank	286	175	180	172	176
37	25½	2	5.8	Dom. Bridge	1212	35½	35½	34	34
78	70	.	...	Dom. Coal	139	74	73½	70	70
28	20	.	...	Dom. Engineer	75	27⅜	27½	26	26
99	81	5	5.7	Dom. Glass	10	94	88	88	88
128	113	7	5.6	Do. pref.	....	125	..	..	..
.90	.50	.	...	Dom. Motors	70	.50	.50	.50	.50
1½	1	.	...	Dom. Pr. Stubs	....	1½	..	..	..
80	80	7	8.7	Dom. Rub. pf.	6	80	80	80	80
5½	2½	.	...	Dom. St. & C B	1546	4½	4⅝	4¼	4¼
23	19½	1.20	5.8	Dom. Stores	192	21	21	20⅜	20⅜
5½	2⅜	.	...	Dom. Tar & Ch	550	3½	3½	3¼	3¼
29½	15	.	...	Do. pref.	15	25¼	25	24	24
86½	67	5	5.8	Dom. Textile	3557	85	86½	84½	84½
125	112	7	5.6	Do. pref.	10	120	125	125	125
7½	4	.	...	Dryden Paper	760	5½	5½	5¼	5¼
4	2½	.	...	Duff. Paving	25	3	3⅜	3⅜	3⅜
40	18	.	...	Do. pref.	....	30	..	..	..
				E					
8	8	.	...	East. Koot. Pr.	....	3	..	..	..
†97	94½	.	...	Do. pref.	....	..	..	..	..
5	3	.	...	East. Dairies	20	3½	3½	3½	3½
13	8½	.	...	East. Steel	....	9	..	..	..
80	72	7	9.7	Do. pref.	....	72	..	..	..
‡34	34	2	...	East. Theatres	....	..	..	..	..
75	72	7	9.3	Do. pref.	....	75	..	..	..
5½	3	.	...	Easy Washer, n	55	5½	4	3	3
15	10½	31¼c	...	Economic Inv.	....	15	..	..	..
†15	15	.	...	Edmonton D'y.	....	..	..	..	..
†80	78¾	6.50	...	Do. pref.	....	..	..	..	..
3½	1	.	...	Enam. & Heat.	....	1	..	..	..
16	12	.	...	Eng. Electric	220	13	13	13	13
6	4	.	...	Do. (B)	15	4½	4	4	4
				F					
18	10	.	...	Fam. Players	....	17	..	..	..
12½	10	.	...	Do. Vot. Tr.	....	12½	..	..	..
22	11½	1+.25	5.7	Fanny Farmer	....	22	..	..	..
37	28	2.40	6.5	Do. pref.	30	36	37	37	37
‡88½	75	.	...	Firstbrook Box	....	..	..	..	..
25½	15	50c	...	Ford Motors A	11961	22¾	24	20⅜	20⅜
3⅛	1½	.	...	For. Pr. Secs.	....	3⅛	..	..	..
16⅝	10	25c	...	Foundation Co.	40	13	13	12¼	13
12½	8	.	...	Fraser Cos.	394	12	11½	11	11¼
9	2½	.	...	Do. Vot. Tr.	100	8½	8½	8½	8½
§90	90	.	...	Fr.& For.Inv.p.	....	..	..	..	..
3	3	.	...	Frost Steel	10	3	3	3	3
46	30	.	...	Do. pref.	41	45	45	45	45
				G					
6	3⅛	.	...	Gen. St. Wares	390	4½	4⅞	4½	4½
30	14½	.	...	Do. pref.	357	23	30	27	30
136	90	5	4.2	Goodyear Tire	151	124	124	120	120
113	106	7	6.2	Do. pref.	159	113	113	112	112
†93½	93½	.	...	Gould Pumps, p	....	..	..	..	..
3	1½	.	...	Gt. W. Saddlery	....	2½	..	..	..
15	11	.	...	Do. pref.	5	15	14	14	14
11½	6½	.	...	Gurd, Chas.	120	10½	11	10½	10½
§100½	100	7	...	Do. pref.	....	..	..	..	..
6⅝	4⅜	.	...	Gypsum, Lime.	2917	6½	6¾	5⅝	6
				H					
9½	5½	.	...	Ham. Bridge	175	6½	6½	6½	6½
37	30	.	...	Do. pref.	....	33	..	..	..
21	14	.	...	Ham. Cot. pf.	10	20	20	20	20
2⅜	1⅞	.	...	Ham. U. Theat.	55	2⅛	2½	2½	2½
51	46	7	13.7	Do. pref.	....	51	..	..	..
‡50	50	.	...	Hillcrest Coll.	....	..	..	..	..
‡91	91	.	...	Do. pref.	....	..	..	..	..
8½	5½	.	...	Hinde & Dauch	10	7½	7½	7½	7½
12	12	.	...	Holt Renfrew	....	12	..	..	..
50	35	.	...	Do. pref.	....	50	..	..	..
1.60	.70	.	...	Honey Dew	200	1.35	1.00	1.00	1.00
11	6	.	...	Do. pref.	....	8	8	8	8
11	4	.	...	H. Smith Pap.	7571	9⅜	11	9⅜	10½
73	35	.	...	Do. pref.	165	65	73	69	70
26	24	2	7.7	Humberstone S	200	25½	26	26	26
18	9	50c	4	Hunts (A)	70	12½	12½	12	12½
16	10	50c	3.1	Do. (B)	....	16	..	..	..
95	70	6	7.8	Huron & E. Mt	98	78	78	77	77
16	14	.	...	Do. 20% pd.	9	14	14	14	14
8	5½	.	...	Hydro Electric	500	5½	6¼	6¼	6¼
				I					
180	141	10	5.7	Imperial Bank	147	175	176	173½	174
15	12½	50+15c	4.3	Imperial Oil	14185	14½	15	14½	14⅝
14	10½	52½c	4.5	Imperial Tob.	2756	11½	11⅝	11½	11⅝
15	14	.	...	Inter. City Bak	....	14½	..	..	..
8⅜	5½	1	...	Inter'e Coal	....	6⅛	..	..	..
100	100	8	8	Do. pref.	....	100	..	..	..
b9½	4½	.	...	Int. Hyd. E. A	3321	7½	7½	6¾	6¾
108½	90	7	6.5	Inter. Mill. pf.	....	108	..	..	..
84	84	6	7.2	Do. Series A	....	84	..	..	..
29.00	21.15	10c	...	Inter. Nickel	42645	27.70	28.40	27.10	27.50
5	3	.	...	Inter. Paints	....	4	..	..	..
b6½	4	.	...	Int. P. & Pr. A	1004	5⅜	5⅜	4⅜	4⅜
b3½	1½	.	...	Do. (B)	310	2¾	2¾	2⅛	2⅛
b2½	1½	.	...	Do. (C)	3728	2¼	2	1½	1⅞
b24½	10½	.	...	Do. pref.	18947	19½	22½	19½	20
27½	19½	1.12+44c	5.8	Inter. Pete.	10193	26	27	26	26⅞
3	2	.	...	Inter. Power	5	3	2½	2⅜	2⅜
21	14	.	...	Do. pref.	100	21	21	20½	21
6½	3	.	...	Int. Util. (A)	240	3½	4	3	3
1.50	.80	.	...	Do. (B)	520	.95	1.00	.90	.90
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
100	97	7	7.1	Do. pref.	....	90	..	..	..
				K					
5½	4½	.	...	Kelvinator	200	5½	5½	5	5
92	80	7	7.6	Do. pref.	9	91	92	92	92
				L					
15	11½	.	...	Lake of Woods	85	11½	11½	11½	11½
73	56	.	...	Do. pref.	....	69¾	..	..	..
80	75	6	7.5	Landed Bank	....	80	..	..	..
4½	1	.	...	Langley's	....	4½	..	..	..
60	25	1.75	...	Do. pref.	5	60	60	60	60
59	47½	3	5.1	Laura Secord	70	58	59	58	59
3½	1½	.	...	Lindsay, C. W.	....	2	..	..	..
36	35	.	...	Do. pref.	....	35	..	..	..
18½	14½	1+.15	6.6	Loblaw (A)	3098	17⅞	17⅞	17	17⅛
17⅝	13⅞	1+.15	6.6	Do. (B)	1280	17⅞	17½	17⅛	17⅞
				M					
8	8	.	...	MacKin. Steel	....	8	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
4	3⅛	.	...	Manitoba Pr.	....	3⅛	..	..	..
5½	1⅜	.	...	Maple Leaf	515	1⅜	1½	1⅜	1½
10¾	5⅜	.	...	Do. pref.	10	7⅜	5½	5⅛	5⅜
3	1	.	...	Do. B. pf.	....	1	..	..	..
12½	12½	.	...	Marcus Loew's	....	12½	..	..	..
80	60	.	...	Do. pref.	25	77	80	80	80
8½	4¼	.	...	Massey-Harris	3335	5¼	5⅜	5	5
14⅞	10¼	80c	6	McColl Fron.	8998	13½	14¼	13	13½
86	71½	6	7	Do. pref.	181	85	85	84½	84½
17	11¼	.	...	Melchers A	11055	12	17	12⅛	12⅜
11	8	.	...	Do. (B)	3610	8	9½	8	8⅝
†45	35	.	...	Mexican L & P	....	..	..	..	..
‡35	35	.	...	Mercury Mills	....	..	..	..	..
18	18	.	...	Do. pref.	45	18	18	18	18
†40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
100	100	7	7	Do. pref.	....	100	..	..	..
10¼	5⅝	.	...	Mitchell, Robt.	160	7	6¼	6¼	6¼
7	5⅛	.	...	Monarch Knit.	....	5⅛	..	..	..
68	45	3+1a	...	Do. pref.	32	68	68	66	66
45	25	.	...	Montreal Cot.	....	45	..	..	..
87	67	7	8.2	Do. pref.	....	85	..	..	..
½	½	.	...	Montreal Exhib	....	½	..	..	..
4	3⅜	.	...	Mont. Is. Pr.	....	4	..	..	..
39½	33	1.50	3.9	Mont. L. & Pr.	4463	38	38½	37	37
47	40	3+.25	8.1	Montreal Loan	....	40	..	..	..
54	50	3.20	6.1	Montreal Tele.	....	52	..	..	..
125	109½	9	7.5	Montreal Tram	70	118	120	119	120
17½	11	.	...	Moore Corp.	730	17	16⅞	16½	16½
113	96	7	6.3	Do. pref. A	66	112	118	110	110½
130	109½	7	5.4	Do. pref. B	10	130	128	128	128
3	1	.	...	Muirheads	85	2	2½	2	2
6½	6	.	...	Do. pref.	....	6	..	..	..
				N					
28½	23½	1.60	5.8	Nat. Breweries	2181	27½	27¾	27½	27½
36	31	1.75	5	Do. pref.	215	36	35½	35½	35½
108½	90½	1.75a	...	Nat. Groc. pf.	....	108½	..	..	..
20½	14½	.	...	N. Sew. Pipe A	260	16	16⅜	16	16
18½	12½	.	...	Nat. Steel Car.	395	15½	15½	14½	14½
180	170	8	4.4	National Tr.	....	180	..	..	..
8	8	.	...	Niag. W. Weav	30	8	8	8	8
31	31	3a	...	Do. pref.	50	31	31	31	31
1.50	.75	.	...	North Star Oil	875	.90	1.00	.80	.80
3.00	1.40	.	...	Do. pref.	330	1.50	2.00	1.75	1.75
				O					
209	180	8	4	Ogilvie Flour	5	180	200	200	200
138	125	7	5.1	Do. pref.	11	135	138	138	138
9	6	.	...	Ont. Eq. 10% p	55	7	7	6½	6½
105	102	6	5.7	Ontario Loan	12	102	105	103¾	105
7	5	.	...	Ont. Silknit	....	6½	..	..	..
45	31	.	...	Do. pref.	....	41	..	..	..
10	10	.	...	Ont. Steel	....	10	..	..	..
†105	105	.	...	Do. pref.	....	..	..	..	..
.90	.25	.	...	Orange Crush	300	.60	.60	.50	.50
8	5	.	...	Do. (A)	....	7	..	..	..
1.10	.30	.	...	Do. (B)	....	.60	..	..	..
5	5	.	...	Ottawa Car	....	5	..	..	..
92	79	6	6.7	Ott. L. H. & P.	....	90	..	..	..
102	90	6.50	6.5	Do. pref.	....	100	..	..	..
20	5	50c	...	Ott. Traction	....	12	..	..	..
				P					
77	56	3	4.3	Page Hersey	305	72	72	68	68
30	24	.	...	Paton Mfg.	....	24	..	..	..
90	90	7	7.8	Do. pref.	....	90	..	..	..
62	47	3	5.6	Penmans	....	53	..	..	..
100	90	6	6	Do. pref.	....	100	..	..	..
20½	14	.	...	Photo Eng.	....	19½	..	..	..
66	60	7	11.1	Porto Rico P. p	....	63	..	..	..
15	7½	.	...	Power Corp.	871	12⅜	13	12	12
80	51	6	8.1	Do. pref.	131	74	74	73	74
2	⅜	.	...	Prairie C. Oil	....	1	..	..	..
20½	16¾	.	...	Pressed Metals	190	18	18	17	17
4.87	.95	.	...	Price Bros.	11299	3.75	4.87	3.75	4.62
37	7	.	...	Do. pref.	579	30¼	37	32	37
				Q					
20	15	1	5.3	Quebec Power	205	19	19	18	18
				R					
§95	85	5	...	Real Estate L'n	....	85	..	..	..
6½	2	.	...	Regent Knit.	565	5⅜	5½	5½	5½
4	3	.	...	Reliance Grain	50	3½	3	3	3
24½	19	1•	4.1	River. S. Mills	110	23	24½	23¼	24½
7½	5¼	.	...	Rogers Majest.	155	5½	5⅜	5½	5½
168	129½	8	4.8	Royal Bank	192	164½	166	162	163
17	17	.	...	Russell Motor	....	17	..	..	..
48	40	4	10	Do. pref.	....	40	..	..	..
				S					
3	2½	.	...	Sarnia Br. A	....	3	..	..	..
1⅞	1½	.	...	Do. (B)	....	1⅜	..	..	..
10⅞	6	.	...	Serv. Station	180	8½	8½	8½	8½
60⅞	32½	.	...	Do. pref.	56	57½	56	55	56
24½	17⅞	50c	2.1	Shawinigan	3951	24	24½	22½	23
21	12¾	.	...	Sher. Wms.	105	19	19	19	19
87½	56	.	...	Do. pref.	....	87	..	..	..
10	6½	.	...	Simon & Son	....	10	..	..	..
65	65	*5½	...	Do. pref.	....	65	..	..	..
73½	43	.	...	Simpson, Ltd.	401	68½	70½	67½	67½
17	10	.	...	Do. (A)	....	15	..	..	..
8	4	.	...	Do. (B)	....	8	..	..	..
96	80	6	6.3	Simpson, R. pf.	....	95	..	..	..
16	11	1	6.9	So. Can. Pr.	137	14½	14½	14½	14½
90½	72	6	6.9	Do. pref.	109	87	88	87	87
3¼	1¾	.	...	St. Law. Corp.	4268	3⅛	3½	3	3
11⅞	5½	.	...	Do. (A)	3113	11	11⅞	10¾	10¾
39	34	1.50	4.3	St. Law. Flour	10	35	34½	34½	34½
101	96	7	7.3	Do. pref.	....	96	..	..	..
26	12	.	...	St. Law. Pa. p	3490	24	26	23	23½
9	6¼	.	...	Stand. Chem.	....	6¼	..	..	..
4½	1¾	.	...	St. Pav. & Mat.	630	3½	3½	3	3
25	17½	.	...	Do. pref.	40	22	23	22	22
11½	6	.	...	Stand. Steel	2300	7¼	7¼	6	6
§30	30	.	...	Do. pref.	....	30	..	..	..
38	28	1.20	3.3	Steel of Can.	1095	37	37	34½	36½
38½	31	1.75	4.6	Do. pref.	75	38	38½	37½	38
3	2	.	...	Sterling Coal	....	2	..	..	..
9	4½	.	...	Stop & Shop	96	7½	7½	5	5
483	483	.	...	Sun Life Ass.	....	483	..	..	..
50	50	.	...	Supersilk, pf.	10	....	50	50	50
29⅞	16	1	3.9	Sup. Pete. ord.	375	25½	25½	24	24
28	16½	1	4.2	Do. com.	....	24	..	..	..
107	99	7	6.5	Do. pref.	20	105	107	106	107
				T					
25	20	.	...	Tamblyn	....	25	..	..	..
106	98	7	6.7	Do. pref.	15	105	104	104	104
42	18	3.50	8.5	Thayers, pfd.	110	41	42	40½	42
11½	9	40c	4	Thrift Stores	5	10	10	10	10
25	23	1.62½	6.6	Do. pref.	50	24	25	24½	24½
13½	7	.	...	Tip Top Tailors	10	9	9	9	9
80½	63½	7	8.7	Do. pref.	....	80	..	..	..
†22	10	.	...	Tooke Bros.	....	..	..	..	..
15	15	.	...	Do. pref.	....	15	..	..	..
28	17	1	3.7	Tor. Elevators	206	27	27½	27	27
100	89½	7	7.1	Do. pref.	20	98	99	99	99
120	105	6	5	Tor. Gen. Tr.	27	120	120	120	120
105	100	6	5.7	Toronto Mtge.	....	105	..	..	..
1.00	.50	.	...	Traymore	875	.80	.80	.75	.75
4½	2	.	...	Do. pref.	100	4½	4	4	4
125	116	7	5.8	Tuckett Tob. p	....	120½	..	..	..
8½	1½	.	...	Twin City	110	6½	6½	5½	5½
b39	6	.	...	Do. pref.	....	..	..	..	..
				U					
6¼	3⅜	.	...	Union Gas	3065	5⅜	6	5⅜	5⅜
3½	2	.	...	United Distill.	395	2⅛	2⅛	2	2
3	3	.	...	United Fuel	....	3	..	..	..
20½	9¼	.	...	Do. pref.	305	19	17½	17	17
12⅞	12½	.	...	Un. Amuse. A.	....	12½	..	..	..
8⅞	7⅝	.	...	Do. (B)	....	7⅝	..	..	..
33	17	2	6.1	United Secs.	....	33	..	..	..
				V					
5	2⅜	.	...	Viau Biscuit	55	2⅜	2⅜	2⅜	2⅜
23	17	.	...	Do. pref.	25	17½	17	17	17
				W					
37	20	.	...	Wabasso Cot.	210	36½	36	34	36
57½	30	.	...	Walker-Good.	40925	39½	39½	30	32
17⅞	16	1	6.2	Do. pref.	3817	16½	16½	16	16
10.00	3.90	.	...	Walkerville Br	11233	9.76	9.75	8.50	8.70
4	2	.	...	Waterloo Mfg.	....	2¼	..	..	..
x80	75	7	...	W. Koot. Pr. p	....	..	..	..	..
8¼	6½	.	...	West. C. Flour	25	6¼	6⅛	6⅛	6⅛
60	48	3	5.5	Do. pref.	....	55	..	..	..
33	30	.	...	West. Grocers	15	82	83	83	83
87	85	7	8.2	Do. pref.	5	85	85	85	85
39½	28	1	2.7	Weston Bisc.	1205	38½	39	37	38½
108	88½	7	...	Do. pref.	25	105	108	108	108
5	3½	.	...	Whittall Can	....	4	..	..	..
65	35	6.50	11.6	Do. pref.	....	66	..	..	..
2	2	.	...	Windsor Hotel	50	2	2	2	2
18	5½	.	...	Do. pref.	....	10	..	..	..
4	1⅜	.	...	Winnipeg Elec.	255	3¼	3½	3½	3½
12	4	.	...	Do. pref.	....	10	..	..	..
40	20	.	...	Woods Mfg. p.	....	40	..	..	..
				Z					
5½	4	.	...	Zimmerknit, c.	....	5	..	..	..
50	50	.	...	Do. pref.	....	50	..	..	..

§ Quotations for 1933. No sales recorded in 1934 to date.
x Quotations for 1932.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
* See "Unlisted Stocks" also.
• Plus 25c. on arrears paid April 2.
a Plus 75c. on arrears paid April 2.
• On account of arrears.
• Plus extra of 87½c. paid Jan. 31.
■ Plus $3.50 on arrears paid Feb. 15.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto.
May 8, 1934

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	2.25	2.55
Acadia Sugar pfd.	4.65	5.25
Allens London pfd. bonus c.	34.00	....
Allens St. Cath. pfd. bonus c.	34.50	....
Allens Toronto pfd. bonus c.	31.00	....
Andian National	32.75	34.00
Atlan. Sugar pfd.	88.00	93.00
B. C. P. & P. pfd.	4.75	7.00
Burns pfd. bon. c.	7.00	8.50
Can. Dom. Sugar	45.00	46.50
Can. Machinery c.	1.40	1.80
Can. Machy. pfd.	11.50	17.00
Canada Packers c.	40.00	42.00
Can. Packers pfd.	100.00	102.75
Can. Starch c.	5.00	....
Can. Starch pfd.	76.00	....
Can. W. & Cable pfd. WW	79.00	82.00
Can. Indust. A	167.00	....
Can. Indust. B	166.00	....
Can. Indust. pfd.	137.00	140.00
Can. Westing'se	46.50	48.00
Chase pfd. bon. c.	20.00	23.50
Claude Neon Gen. Adv. Units	5.00	7.00
Comm. Fin pfd. bonus c.	9.50	....
Copeland Fl. Mills Units	5.00	7.00
Dom. F. & Steel p.	65.00	....
Dom. F. & Steel c.	9.00	10.00
Dom. Manufac. pf.	65.00	....
Dom. Woollens c.	3.00	3.50
Dunlop Tire pfd.	68.50	....
East. Dairies pfd.	12.00	14.00
Easy Wash. pfd. (New)	....	8.00
Federal Grain pf.	14.00	18.00
For. Power Sec. pf.	11.00	14.00
Gen. St. Wares pf.	28.00	30.50
Goderich Elev & Transit	7.00	8.25
Green. Wire pfd.	65.00	....
Guelph Carpet pf.	80.00	83.00
Guelph Carpet c.	10.50	13.50
Harding Carpets Units	20.00	....
Hayes Wheels pfd.	8.00	12.25
Highland Dairy c.	6.75	9.00
Highland Dairy p.	65.50	70.00
Inter City Bak. c.	13.50	15.00
Inter. Paints pfd.	13.00	15.00
Inter. Propriet. A	34.50	36.00
Langleys pfd.	56.50	60.00
Loew's Lond. pfd.	3.40	4.25
Loew's Toronto p.	77.00	80.00
Mansfield Thea. p.	27.00	31.00
Massey-Harris pf.	20.00	22.00
Nat. Grocers c.	4.65	5.00
Nat. Grocers 7% pfd.	112.00	118.00
New Meth. Laund. pfd.	40.00	50.00
Para. Kitchener p.	34.50	....
Para. Oshawa pfd.	42.50	....
Prov. Paper pfd.	86.00	89.00
Reliance Grain pfd.	50.00	55.00
Rob. Cons. Cone	7.25	8.50
Rolland Paper pfd. WW	76.25	80.00
Ruddy, E. L., pfd.	14.50	....
Serv. Stat. A pfd.	52.50	....
Stand. Fuel pfd. bonus	87.00	90.00
Supersilk pf. bonus	51.50	....
Supertest Pet. B pfd.	23.50	26.00
Thayers com.	6.00	6.50
Thayers pfd.	40.50	42.50
United Corpns. A	12.50	14.00
United Corpns. B	4.50	5.50
West. Grain pfd. bonus	5.00	7.50
Willards Choc. pfd.	6.00	10.00
Wood, Alex. & J. pfd.	20.00	24.50

Insurance Stocks:	Bid	Asked
Zimmerknit com.	5.00	7.00
Brit. Amer. Assce.	26.50	29.00
Canada Life	436.00	....
Can. Fire	54.00	59.00
Confed. Life 20% pd.	122.00	127.00
Cont. Life 20% pd.	37.00	42.00
Crown Life	100.00%	....
Dom. Life 50%		
Dom. Life 20% pd.	167.00	....
Dom. of Can. Gen. Ins.	100.00	106.00
Empire Life 25% pd.	10.00	13.50
Excel. Life 50% pd.	74.00	79.00
Fed. Fire 25% pd.	36.00	....
Great West Life	330.00	350.00
Guar. of N. A. fully paid	201.00	225.00
Guar. of N. A. 20% pd.	41.00	....
Imperial Life	288.00	....
Manufac. Life	222.00	227.00
Monarch Life 10% pd.	18.00	21.00
National Life 25% pd.	50.00	60.00
Sov. Life 20% pd.	18.00	22.00
Sun Life	450.00	450.00
Tor. Gen. Insce.	5.00	6.50
Traders Fin. A pf.	33.50	41.00
Western Assur. c.	26.00	....
Western Assur. p.	32.00	....
West. Life 20% pd.	9.00	11.50
Trust & Loan Stocks:		
Br. Mtge. & Tr.	130.00	139.00
Chartered Trust	65.00	70.00
London & West. Tr.	....	41.00
Premier Trust	87.00	....
Sec. Loan & Sav.	102.00	....
Sterling Trust	....	45.50
Trusts & Guar.	41.00	44.50
Vic. Tr. & Sav.	120.00	131.00
Waterloo Tr. & S.	78.50	....
Investment Trust Shares:		
Can. Gen. Invest.	5.55	6.80
Can. Int. Inv. Tr. Units	20.50	....
Can. Invest. Fund	3.30	3.50
Can. Investors	6.00	7.50
Cons. Div. Stand. Sec. pfd.	11.50	13.50
Deb. & Sec. pfd.	20.50	....
Dom. & Anglo Inv. Units	190.00	....
Dom. Scottish Inv. Units	22.00	26.00
Invest. Foundation Units	40.00	44.00
Sec. Holding Un.	9.25	12.50
Power Issues:		
Calgary Pwr. pfd.	87.75	90.00
Can. L. & P. c.	23.00	28.00
Can. W. Nat. Gas L. H. & P. pfd.	87.00	90.00
Gt. Lakes Pr. pfd.	30.00	....
Marit. T. & Tl. pfd.	11.75	13.00
N. B. Telephone c.	9.10	10.25
N. S. L. & P. c.	25.00	....
N. S. L. & P. pfd.	79.00	....

Recent London Quotations:

Brit. Col. Tele., pfd.	$100
Brew & Distillers	9s.
Can. & For. Secs.	5s. 6d.
Can. Collier, A, inc. stk.	36
Do., B	6
Can. N. W. Land	£1½
Can. West. Lumber	1s. 9d.
Hudson's Bay	27s. 6d.
Do., 5% pref.	102s 6d.
Internat. Holdings	$2⅛
Nfld. Pr. & Pap. deb. stock B 5½%	102
Tor. Sub'an 4½% deb. stk.	20
Trust and Loan	1/16

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto.
May 8, 1934

Industrial Bonds—		Bid May 8	Asked May 8	Bid May 1
Abitibi P. & P. 5% 1953	F	44.00	47.00	46.00
Abitibi P. & P. C.O.D.	F	41.00	44.00	43.25
Acadia Sugar 6% 1946		100.75	103.00	101.00
Alta. Pacific Grain 6% 1946		69.00	71.50	71.00
American Sales Book 6% 1939		90.00	....	90.50
Asbestos Corp. 6/41 ex-stock	F	63.00	....	59.50
B. A. Oil 5% 1945		102.75	104.50	102.00
B. C. Pulp 6% 1950		63.00	68.00	63.00
Burns 5½% 1948	F	40.00	42.00	41.50
Can. Biscuit 6½% 1946 WS	F	33.00	38.00	34.00
Can. Bread 6% 1941		93.50	95.00	91.00
Can. Cement 5½% 1947		91.00	93.00	91.00
Can. Steamship 6% 1941	F	32.00	35.00	33.00
Can. Canners 6% 1950		101.25	103.50	101.00
Can. Copper Refin. 6% 1945		107.50	....	107.00
Can. Cottons 5% 1940		90.50	....	100.00
Can. Goodrich Income 7/48	F	42.50	....	40.00
Can. Rail & Harbor 5½/51	F	27.50	30.50	25.00
Can. Vickers 6% 1947		65.00	68.00	66.00
Cons. Invest. 4½% 1959	F	75.50	81.00	78.00
Cons. Paper 5½% 1961	F	24.50	27.00	....
Debenture & Sec. 4% 1936		73.00	77.00	75.00
Dom. Tar & Chemical 6% 1943		92.50	95.00	93.00
Dom. Telegraph 5½% 1978 A		93.25	97.25	93.50
Dom. Textile 6% 1949		106.50	109.50	107.50
Dom. Woollens 6% 1948	F	42.50	44.50	40.00
Donnacona Paper 5½% 1948 WS.	F	58.50	62.00	60.00
Eastern Dairies 6% 1949		86.50	....	86.00
Famous Players 6% 1948		90.00	92.50	90.00
Federal Grain 6% 1949		73.00	75.00	73.00
Firestone Tire 7% 1937		100.25	....	100.00
Fraser Co. 6% 1950	F	43.25	46.00	43.00
Galt Brass 7½% 1941	F	30.00	40.00	29.00
Gen. Steel Wares 6% 1952		79.50	82.00	79.75
Great Lakes 6% 1950	F	40.00	42.00	41.50
Gypsum, Lime & Alab. 5½% 1948		79.00	82.50	77.00
Hamilton By-Prod. 7% 1943		100.50	102.50	101.00
Harris Abattoir 6% 1947		102.25	103.75	102.50
Howard Smith 5½% 1953		95.50	98.00	95.00
Lake St. John 6½% 1947	F	84.00	87.00	85.00
Lake St. John 6½% 1942	F	31.00	33.00	30.00
Maple Leaf Milling 5½% 1949		88.00	40.00	87.50
Massey-Harris 5% 1947		68.50	71.50	71.00
McColl-Frontenac 6% 1949		102.50	105.00	102.00
McKinnon Industries 6½% 1945		99.00	....	98.50
Mercury Mills 5½% 1953		70.00	....	68.00
Minn. & Ont. 6% 1945-50 C.O.D.	F	27.00	29.50	25.00
Price Bros. 6% 1943	F	99.50	....	100.00
Provincial Paper 5½% 1947		95.50	98.50	95.00
Restigouche 6% 1948	F	75.00	79.00	77.00
Simpsons Ltd. 6% 1949		98.00	100.50	98.00
Steel of Canada 6% 1940		106.50	....	107.00
Stop & Shop 6% 1947		87.00	....	88.00
Toronto Carpet 6% 1944		97.00	100.00	97.50
United Corpns. 5% 1953	F	78.50	82.00	79.00
United Gas & Fuel 5½% 1943		87.50	90.50	87.00
United Grain Growers 5/48		81.00	85.00	81.50
United Grain Growers 5½/49		84.00	....	84.50
Wabasso Cotton 7% 1942		94.00	96.00	93.50
Public Utility Bonds—				
Beauharnois Pwr. 5% 1973	F	49.00	51.50	55.50
Bell Telephone 5% 1955		108.00	109.50	107.00
B. C. Power 5½% 1960		100.75	102.00	100.50
B. C. Telephone 5% 1960		101.75	103.00	102.00
Calgary Power 5% 1960		94.00	95.00	95.00
Can. Northern Pwr. 5% 1953		92.00	94.50	92.00
Dom. Gas & Elect. 6½% 1945		65.00	69.00	67.00
Duke-Price Pwr. 6% 1966		93.75	95.25	93.50
Gatineau Pwr. 6% 1941 B		86.00	88.00	87.00
Gatineau Pwr. 5% 1956		92.00	93.50	91.50
Maclaren Quebec 5½% 1961		96.00	98.00	97.00
Manitoba Power 5½% 1951		58.00	61.00	57.50
Montreal L. H. & P. 5% 1951		109.00	110.50	108.50
Montreal Tram 5% 1941 July		100.25	102.00	100.25
Northwest. Utilities 7/38		99.00	102.00	98.50
Ottawa Valley Pwr. 5½% 1970		104.00	105.50	104.00
Quebec Power 5% 1968		99.00	101.00	98.50
Rio Tramways 5% 1935		103.00	....	105.00
Shawinigan W. & P. 5% 1970		98.00	101.00	99.00
Shawinigan W. & P. 6% 1937		101.50	106.00	101.50
Southern Can. Pwr. 5% 1955		103.00	104.50	102.50
West Kootenay Pwr. 5% 1956		104.00	106.00	104.25
Realty Bonds—				
Adelaide Sheppard 7%/48	F	36.00	....	....
Albert Bay 6½% 1942		53.00	66.00	62.00
Balfour Bldg. 6% 1948		44.00	47.00	48.00
Bloor St. George 7% 1946		39.00	....	37.50
Border Cities Hotel 7½%	F	19.00	....	....
Clarendon Apts. 7% 1946	F	30.00	....	30.00
Clarendon Properties 7/44	F	27.00	33.00	28.00
Dominion Square 6% 1948	F	52.00	55.00	50.00
Eaton Realty 5% 1949		95.00	98.00	95.50
General Brock Hotel 6/48	F	26.00	28.50	27.50
Godfrey Realty 6% 1949	F	38.50	42.00	38.00
King Edward Hotel 7% 1944	F	7.00	11.00	8.50
London Realty 6½% 1950	F	68.00	73.00	69.00
Lord Nelson Hotel 4% 1947		59.00	65.00	60.00
Mayor Bldg. 6½% 1942	F	45.00	....	41.00
Metropolitan Bldg. 7% 1944		96.25	....	96.00
National Realty 7% 1945	F	23.00	28.00	24.00
Northern Ontario Bldg. 6½/39		90.50	....	90.00
Ontario Bldg. 5¼% 1948	F	40.50	45.00	40.00
Richmond Bay 6½% 1947		80.50	....	80.00
Government, Provincial & Railway—				
C. N. R. 4½% 1957 Dom. Gtd.		105.00	105.50	105.00
C. N. R. 5% 1969 Dom. Gtd.		110.50	111.25	109.50
C. P. R. 4½% 1944		89.75	92.00	89.25
C. P. R. 6% 1942		112.50	115.00	113.25
Dom. of Can. 5% 1936		105.00	106.50	105.00
Dom. of Can. 5% 1941		107.75	108.50	107.50
G. T. P. 3% 1962 Dom. Gtd.		91.00	92.00	90.50
G. T. P. 4% 1962 Dom. Gtd.		101.75	....	101.50
Ont. Hydro 3½% 1952 Ont. Gtd.		97.50	98.75	97.00
Ont. Hydro 4% 1957 Ont. Gtd.		100.00	101.00	99.50
Prov. of N. B. 5½% 1950		108.50	110.00	108.00
Prov. of Ont. 5½% 1946		112.00	113.25	111.75
Prov. of Ont. 4½% 1944		106.25	107.25	105.50
Prov. of Ont. 5% 1948		109.25	110.00	108.75

F—Traded without accrued interest.

Dominion and Provincial Bonds

Quotations furnished by A. E. Ames & Co., 320 Bay St., Toronto
May 9, 1934

			Bid	Asked	Yield
*†Dominion	5	1 Mar., 1937	107.25	107.75	2.12
†Dominion	5½	1 Dec., 1937	110.12	110.37	2.45
Dominion	5½	1 Nov., 1934	101.25	101.50	2.30
Dominion	3½	15 Oct., 1935	101.50	102.00	2.04
Dominion	4	15 Oct., 1935	102.00	102.50	2.20
Dominion	5	15 Nov., 1936	105.12	105.37	2.76
Dominion	4	15 Oct., 1939	102.50	103.00	3.38
Dominion	4½	1 Sept., 1940	105.25	105.75	3.48
Dominion	5	15 Nov., 1941	107.95	108.15	2.74
Dominion	5	15 Oct., 1943	108.20	108.45	3.92
Dominion	4½	15 Oct., 1944	105.10	105.35	3.87
Dominion	4	15 Oct., 1943-45	102.00	102.37	3.70
Dominion	4½	1 Feb., 1946	105.10	105.35	3.98
Dominion	4	15 Oct., 1947-52	102.12	102.50	3.76
Dominion	4½	1 Nov., 1946-56	104.65	105.00	3.99
Dominion	4½	1 Nov., 1947-57	104.65	105.00	4.02
Dominion	4½	1 Nov., 1948-58	105.15	105.50	4.04
Dominion	4½	1 Nov., 1949-59 (with talons)			4.06
Dominion Guaranteed Bonds					
xCan. Nat. Ry.	4½	1 Sept., 1951	107.25	107.75	3.88
*Can. Nat. Ry.	4½	1 July, 1957	105.25	105.75	4.12
Can. Nat. Ry.	5	1 Feb., 1954	110.75	111.50	4.15
xCan. Nat. Ry.	4¾	15 June, 1955	109.50	110.25	4.03
xCan. Nat. Ry.	4½	1 Feb., 1956	107.25	107.75	3.97
xCan. Nat. Ry.	4½	1 Dec., 1968	105.25	105.75	4.18
xCan. Nat. Ry.	5	1 Oct., 1969	112.25	112.75	4.12
xMontreal Harbour Cm.	5	1 Nov., 1969	112.25	112.75	4.12
Provincial Government Bonds					
*Alberta	4½	1 Oct., 1956	88.00	90.00	5.26
Alberta	6	1 Mar., 1947	101.00	102.00	5.78
*British Col.	4½	1 Oct., 1953	85.00	87.00	5.60
British Col.	5½	1 Feb., 1945	94.00	96.00	6.00
British Col.	6	15 Feb., 1947	96.50	98.50	6.17
xManitoba	5	2 Dec., 1959	95.25	96.25	5.27
Manitoba	5½	1 Oct., 1955	96.50	97.50	5.70
Manitoba	6	1 Apr., 1947	100.00	101.00	5.89
*N. B.	4¾	15 Apr., 1960	103.50	104.50	4.46
N. B.	5	2 July, 1968	106.25	107.25	4.66
N. B.	5½	15 May, 1950	108.50	109.50	4.57
N. Scotia	4½	15 May, 1942	102.75	103.50	4.03
*N. Scotia	5	1 Mar., 1960	108.50	109.50	4.38
xOntario	4	1 June, 1962	100.25	100.75	3.96
xOntario	4½	1 Sept., 1944	106.25	107.25	3.66
Ontario	4½	1 June, 1950	104.50	105.00	4.08
xOntario	5	2 Dec., 1960	113.50	114.00	4.13
Ontario	5½	1 July, 1946	112.25	113.00	4.16
Ont. H. C.	3½-4-5	1 Oct., 1952	97.75	98.25	4.02
xOnt. H. C.	4	1 Aug., 1957	100.25	101.00	3.93
Ont. H. C.	4¾	1 Jan., 1970	107.00	108.00	4.31
Quebec	4¼	1 Aug., 1958	103.50	104.50	3.96
Sask.	5	1 Aug., 1959	89.50	90.50	5.73
*Sask.	5	1 Nov., 1959	90.00	92.00	5.59
Sask.	5½	1 Oct., 1952	94.50	96.00	5.86
Sask.	6	15 Mar., 1952	98.50	99.50	6.05

Municipal Bonds

				Bid	Asked	Yield
*Calgary	5½	2 June, 1944	2 June	91	94	6.29
*Edmonton	5½	1 Nov., 1945	1 May	91	93	6.40
*Halifax	5	1 July, 1961	1 July	106½	108	4.49
Hamilton	5	1 May, 1950	1 May	105	106½	4.43
Montreal	5	1 Mar., 1945	1 Sept.	101	102½	4.70
Ottawa	4½	1 July, 1943	1 July	102½	104½	4.01
*Quebec	5	1 June, 1959	1 June	101	103	4.79
Regina	5	1 July, 1944	1 July	80	85	7.04
St. John	5	15 Dec., 1950	15 June	105	106½	4.45
*Toronto	4½	1 Jan., 1955	1 July	103½	105	4.14
Victoria	5	21 July, 1945	21 July	90	94	5.72
Winnipeg	5	1 Mar., 1944	1 Sept.	94	96	5.52

† Tax Exempt Issues. *Payable in Canada and New York. x Payable in Canada, New York and London. Yields are calculated on offering prices.

Unlisted Mining Stocks

May 8, 1934

	Bid	Asked
Adanac Gold	.30	.35
Ardeen Gold	.50	.55
Arntfield Gold	.83	..
Arntfield Synd.	.82	.87
Astoria Rouyn	.05½	.07
Bankfield	.36	.38
Bathurst	.04	.05
Beattie	1.20	1.25
Bidgood	.03	.04
Big Long Lac	.15	.20
Bloom Lake	.20	.28
Buff. Ankerite	1.80	1.90
Buff. Rouyn	..	.03
Bussieres Min.	.30	.50
Calder Bosquet	.30	.34
Can. Pandora	.23	.26
Can. Radium	.07	.10
Canusa Mining	.06½	.08
Casey Summit	.66	.71
Cen. Malartic	10.00	12.00
Cent. Porc.	.60	.70
Clover G Units	..	40.00
Cochenour Wil.	50.00	75.00
Columario (old)	.17	.22
Condor Cons.	.24	.28
Continental Kirk.	.08	.12
Coupland Gold	..	.48
Crown Reserve	.09	.12
Cuniptau	.90	1.00
Delta Units	60.00	80.00
Dorval Siscoe Units	19.00	23.00
Dunlop Cons.	.01½	.03
Eagle Oil	..	1.50
El Bonanza	.20	.24
Four Nations	..	.40
Glenora Gold	.44	.50
Goldside Units	45.00	55.00
Gold Bar	.23	.25
Grandoro	.45	.51
Greenlaw	.05	.07½
Gr. Bear Lake	..	.42
Gabrielle	.58	.64
Hardrock	.78	.83
Herbin Lake Un.	17.00	20.00
Horseshoe	.04½	.06
Huronian M.	.50	..
Internat. Gold	.30	.32
Iroquois Kirk.	..	.20
Island Lake	.11	.13
Johnson Nipigon	.29	.33
Jupiter Gold	19.00	21.00
Keeley	.50	..
Kenty Gold	..	.50
Kirk. Gold	.26	.32
Kow Kash	.06	.07
Lake Geneva	.12	.17
Long Lac Adair	.25	.30
Long Lac Lag.	.27	.30
Lamaq. Contact	..	.27
Lamaque Gold	1.75	1.85
McCarthy Webb	..	.10
McL. Cockshutt	.40	.48
McCuaig R. Lake	.31	.35
Man. & Eastern	.20	.22
Magnet Lake	.29	.38
Matachewan Can.	.15	.19
Mecca Gold	..	.20
Metals Develop.	.04	.06
Minefinders	2.00	2.75
Martin-Bird Un.	15.00	17.00
Miller Indep.	..	.36
Mont. Acker.	..	.30
N.A.M.E. Units	7.00	9.00
Normetal Mine	.45	..
North Shore	..	.25
North'd Pros.	..	330.00
Northern Turn	..	.58
O'Connell Gold	.30	.35
Peninsular Pet.	.00½	.01
Pickle Crow	.65	.70
Pontiac Rouyn	.45	.53
Powell Rouyn	.95	1.00
Que. Eureka	.11	.13
Queen Lebel	.12	.15
Red Lake Gold	.39	.44
Rice Lake Units	10.00	14.00
Rubec	.02¼	.03½
Senneterre Gold	10.00	15.00
Silveradium U.	160.00	190.00
Silver Valley	.06	.10
Smelter Gold	.28	.31
Sourdough Un.	8.00	..
Sun Bear	..	.20
Talisman Gold	.24	.27
Tashota Goldfield	.42	.46
Tiblemont Island	.60	.66
Titurno Units	16.00	23.00
Toburn	1.45	1.52
Tudhope M. Syn	20.00	25.00
Tyrrell Tp. M&N.	..	40.00
Universal U.	13.00	17.00
Vermil. L. Sh. Un.	18.00	21.00
Vipond	.50	..
Wendigo	.52	.60
Wingold	.40	.48
Young Davidson	.34	.39
Yellow Knife	.27	.33

Source of quotations on application. Not guaranteed.

Complete Mining Quotations on page 23

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Acme Gas & Oil	initial	2c	May 15	May 5
All Candn. Trust Shs., A	...	0.1657	May 1	Apr. 15
Belding-Corticelli, pref.	$7	$1.75	June 15	May 31
Bk. Can. Nationale	$10	$2.50	June 1	May 15
Bank of Montreal	$8	$2	June 1	Apr. 30
Bank of Toronto	$10	$2.50	June 1	May 15
Borden's, c. (97)	$1.60	40c	June 1	May 15
Buffalo Ankerite, extra	...	3c	May 15	May 1
Can. Hydro Elec. 1st pref.	6%	1½%	June 1	May 1
Canadian Converters	$2	50c	May 15	Apr. 30
Can. Bank of Commerce	$8	$2	June 1	Apr. 30
Champlain Oil, pfd.	60c	15c	May 15	Apr. 30
Chase, A. W., pfd.	$2	50c	May 10	Apr. 30
Canadian Oil	50c	12½c	May 15	May 1
Do., pref.	$8	$2	July 1	June 20
Canada Malting (26)	$1.50	37½c	June 15	May 31
Cosmos Imp. Mills, pref.	$3.50	87½c	May 15	Apr. 30
Do., on arrears	...	87½c	May 15	Apr. 30
Crow's Nest Coal	$4	$2	June 1	May 19
Dome Mines	$2	50c	July 20	June 30
Do., bonus	...	$1.50	July 20	June 30
Dominion Textile, pref.	$7	$1.75	July 16	June 30
Do., com.	$5	$1.25	July 2	June 15
Dominion Bridge	$2	50c	May 15	Apr. 20
Falconbridge Nickel	...	5c	June 29	June 15
Ford Motor, A & B	...	50c	May 28	May 8
Hollinger Gold	60c	5c	May 21	May 4
Do., extra	...	5c	May 21	May 4
Imperial Oil (41)	50c	25c	June 1	May 15
Do., extra	...	15c	June 1	May 15
Inter. Nickel, com.	...	10c	June 30	May 31
Inter Petroleum (41)	$1.12	56c	June 1	May 15
Do., extra	...	44c	June 1	May 15
Do., pref.	$1.12	56c	June 1	May 15
Do., extra	...	44c	June 1	May 15
Kelvinator, pref.	$7	$1.75	May 15	May 5
Laura Secord	$3	75c	June 1	May 15
Loew's London Theat., pref.	7%	3½%	May 15	May 5
Loblaw Grocet., A & B	$1	25c	June 1	May 14
Do., extra	...	15c	June 1	May 14
Langley's, pref.	...	1¾%	May 15	Apr. 30
McIntyre-Porcupine	$1	25c	June 1	May 1
Do., extra	50c	12½c	June 1	May 1
Do., bonus	...	12½c	June 1	May 1
McColl-Frontenac, c.	80c	20c	June 15	May 15
National Biscuit, pref.	$7	$1.75	May 31	May 17
N. S. Light & Pr., pfd.	6%	1½%	June 1	May 16
Penmans	$3	75c	May 15	May 5
Provincial Bank	$6	$1.50	June 1	May 15
Quebec Power	$1	25c	May 15	Apr. 25
Royal Bank	$8	$2	June 1	Apr. 30
Royalite Oil	...	50c	May 31	May 15
Rolland Paper, pfd.	6%	1½%	June 1	May 15
Southern Can. Power, c.	80c	20c	May 15	Apr. 30
Shawinigan W. & P.	50c	12c	May 15	Apr. 25
Toburn Gold	8c	2c	May 22	Apr. 23
H. Walker—G. & W., pfd.	$1	25c	June 15	May 25

Dividend Rate Increased—
Dome Mines, July 20, $1 to $2 per annum.
Dominion Textile, com., July 2, $4 to $5 per annum.
McColl-Frontenac, c., June 15, 60c. to 80c. per annum.

Winnipeg Stock Exchange

(Transactions for week to May 5)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close May 5
..	..	Clover Gold Units	2	27.00	27.00	27.00
..	..	Gabrielle	1,500	.60	.57½	.60
..	..	Forty-Four	20	9.75	9.75	9.75
..	..	Island Lake	8,800	.15	.12	.15
..	..	Manitoba Jockey Club	1	100	100	100
..	..	Manitoba & Eastern	1,800	.23	.23	.23
..	..	Ore Grande	5,500	.11½	.11	.11
..	..	Scotia Gold	400	.30	.30	.30
..	..	Traders Building	3	65	65	65
..	..	Western Breweries	205	1.00	1.00	1.00

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	Reliance Grain, pfd.	50	55
Beaver Lumber, pref.	..	65	Can. Amer. Tr. shs.	3¼	3⅜
Do., com	..	3½	Can. Inv. Fund	..	3.50
Home Investment	20	..	Fundamental Ser. A	..	..
Northern Trust	10	..	Fundamental Ser. B	3⅝	4⅛
Pelissiers	3	..	Grouped Inc. shs.	..	4.40
Do., pref.	..	25			

*Stocks more active on other exchanges not included.

Listed Bond Quotations

Week Ending May 7, 1934

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1934 High	Low
Mtl. L.H.&Pr. debs.	5	1939	3.80					
McNish	6	1948	...	46½	46½	46	46½	45½
Unlisted				3.75	3.75	...	4.25	3.25
Cons. Paper	5½	1961	...	...	26	25	26	19½

News of Canadian Mining Investments

The Week in Mining

A Week's Decline

GENTLE but regular declines were noted in nearly all mining stocks during the past week, which showed the reaction chiefly in golds. By the end of the week, many stocks which had been enjoying the rarefied atmosphere at unaccustomed heights, had sunk to the lowest level experienced in weeks.

It was noteworthy that the announcement of a change in the government's policy toward gold taxation failed to check this decline, even in the mines which, by the change, will escape the tax. As shown in an analysis elsewhere on these pages, dividend paying mines, which bear the whole brunt of the modified tax, have not had their position materially changed by the tax, as the 25 per cent levy, less the federal corporation income tax, works out to about the equivalent of the originally proposed flat ten per cent tax. This fact tends to substantiate the report that the estimated revenue to the government from the modified tax will suffer by the change by an equivalent amount to that which the non-dividend paying mines would have paid. If gold increases in price, as many competent observers firmly believe it will do, the dividend paying mines will be placed in a still more disadvantageous position. If gold declines in price below $33.10 the government holds the bag and profits none by the tax.

As the gold tax becomes an accepted fact, interest will probably switch to silver, as the powerful silver bloc in U. S. presses its demands for a 30-silver to 70-gold monetary backing.

Whatever President Roosevelt decides to do, the silver bloc have at least advanced their cause to the status where the president is considering the possibility of nationalizing silver in the same manner that gold has been nationalized by the purchase of existing free stocks at a limited price.

The next week or two will probably see a show down on this vital issue in Washington.

GACHIN LURED FROM ORIGINAL AIM BY DIVIDEND MINES

Manager Says May Increase Present Investments to $500,000

That Gachin Gold Synd. may run its investments in dividend paying gold mines up to half a million dollars before forming the new company called for in the original agreement, was the statement made to The Financial Post by J. J. Carrick, sole manager and promoter of the syndicate. In view of the fact the agreement permits the formation of a limited company as soon as investments in the dividend mines had approximated $250,000, and leaves it to Mr. Carrick to initiate the new company, The Financial Post asked the manager (who receives 25 per cent commission on every share of the syndicate sold) when the new company could be expected.

"Maybe Yes—Maybe No"

The manager replied that consideration was being given to forming the proposed company toward the end of the current year. On the other hand, he said, he might continue the present policy of operating the syndicate much along the lines of an investment trust until holdings in the eleven dividend paying mines had reached $500,000.

When originally launched, in 1932, the syndicate was supposed to invest its funds, after Mr. Carrick had deducted his 25 per cent commission—the maximum allowed him under the Companies Act—in certain established mines, ten of which were gold mines.

So profitable have the investments in gold mines proved to be, that the manager has continued to sell stock to the public not without stressing the dividends receivable as a selling point. Of late, the advertisements for Gachin Gold have made less and less reference to the projected new company. All advertising of the syndicate shows it to be wrapped up entirely in its dividend paying investments—as an investment trust.

The Guiding Spirit

Throughout the story of Gachin Gold moves the guiding spirit of Mr. Carrick.

Under the agreement of 1932, in which Gachin Gold Synd. became Gachin Gold Synd. Ltd., with an Ontario charter, Mr. Carrick was given exclusive sale of the units at 25 per cent commission. At the time of formation it was the avowed intention of the syndicate to avoid becoming an investment trust.

The 1932 agreement stipulates that when the managers, which are Mr. Carrick, shall have invested $250,000, derived from the sale of syndicate units, minus Mr. Carrick's commission, in the eleven mines, a company may be formed with a capitalization of 200,000, 7 per cent cumulative preferred shares, with a par value of $10 and 300,000 no par value shares. But, says the agreement, the managers, Mr. Carrick, may form this company before or after the $250,000 is invested. The manager is apparently favoring the latter course.

Near Enough

Each syndicate unit holder will get one preferred and one common share, but Mr. Carrick, under the agreement, can retain one half of each common share for himself. The unissued capital of the proposed company will be sold, one half of each common share going to Carrick.

In view of the fact no financial statement has been issued by the syndicate, Mr. Carrick was asked the extent of the investment which the syndicate has in the various mines with which it is connected. He replied that the amount was "near enough" to $250,000 to warrant the formation of the new company.

Beyond saying that formation of this company by the end of the year was being considered by him, the manager would not outline the future policy of Gachin Synd. In the meantime Gachin Gold is operating, in practice, if not in name, as an investment trust, the main difference being that in most investment trusts the commission paid for sale of stock is between seven or 8 per cent and as low as 4 per cent, while Gachin Gold is paying its manager 25 per cent commission, with prospects of a healthy block of stock whenever he shall see fit to incorporate the new company.

DOME ANNOUNCES PAYMENT JULY 20 OF $2 PER SHARE

Bache Feels Earnings Should Be Distributed to Shareholders

The "say it with dividends" policy prevailing at the annual meeting of shareholders of Dome Mines, held in Toronto on May 8, proved a veritable love feast when dividends doubling the present annual rate also a bonus of $1.50 per share were announced, making $2 per share payable July 20, to shareholders of record June 30.

Jules S. Bache, president of the company, addressed the shareholders and advised that it was felt the company was now sufficiently fortified with liquid assets to utilize any opportunity offered it to expand. He advised that the company was not in the investment trust business but in the gold mining business and by distributing its earnings shareholders would be given an opportunity to make their own investments, as they see fit.

New Tax Acceptable

Mr. Bache expressed himself as being entirely satisfied with the new tax on dividend paying gold mines and the policy of the Federal Government, but warned of the danger of the temptation of taxation. The high price of gold in the past never did and, it was his observation, had not in the United States substantially increased commodity prices but it was having the inadvertent effect of stimulating gold production, which would ultimately increase commodity prices.

H. P. Depencier, vice-president and general manager of the company, reported that work was proceeding on the property in Quebec, but not until more work is done will the possibilities of this property be known. A new company known as the Sigma Mines Ltd. has been formed with a Dominion charter and a capitalization of 3,000,000 shares of no par value to operate this property under the terms of the agreement.

Winze Is Deepened

The new deep work on the Dome mine was proceeding, but Mr. Depencier stated that there was no change in the situation from that shown in the annual report. The winze has been deepened from the 25th level to the 27th level where a station is being cut. Crosscutting and drifting will be started at once on this level. The ore reserves remained the same as reported at the year end, as stoping had added to the known ore to about the same extent as the ore mined.

Production in April had a gross value of $587,239, or an average recovery of $12.90 per ton, while the operating profits for the first four months of the current year were up nearly $700,000 over the same period in 1933.

A substantial change was noted in the geographical location of the shareholders, about 10 per cent being in Canada whereas formerly about 40 per cent were in Canada.

The existing board of directors, headed by Jules S. Bache, as president, were re-elected for the ensuing year.

CENT. PORCUPINE AIMS TO CO-RELATE STUDY OF DISTRICT

Will Conduct Underground Exploration of Big Area

Owning or controlling a total of 520 acres in the Porcupine Gold fields, Central Porcupine Mines has recently been formed to consolidate 13 claims and to interpret their geology, in a united form, in relation to other mines in the area.

The company, operating under an Ontario charter, is capitalized at $5,000,000 in $1 par shares, 2,600,007 of which have been, or are to be issued. The company is backed by a directorate, consisting of Ward Wright, K.C., pres.; C. D. H. MacAlpine, vice-pres.; George D. Blackstock, sec., and W. J. Aikens, E. M. Buchanan, H. C. McCloskey, and J. Montgomery, directors.

Covered by Swamp

The surface of this property is covered in the main by swamp, eliminating the possibilities of doing much surface work. In previous years a limited amount of diamond drilling has been done, but enough, it is claimed, to confirm the presence of favorable structural conditions.

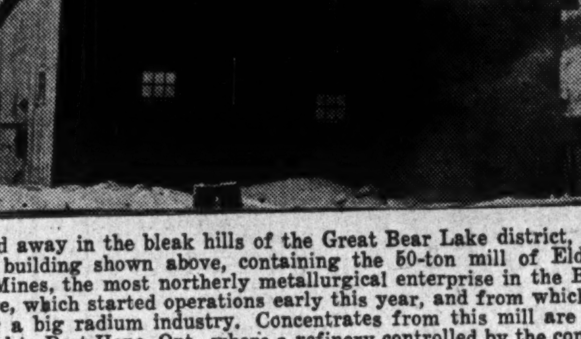
Previously under the ownership of separate groups, it was not until Central Porcupine was formed that a united effort in underground exploration was possible. By arrangements with Coniaurum Mines, use will now be made of the Goldale shaft, which has been sunk to a depth of 1,000 ft. From this shaft, a cross-cut will be put through to the Central Porcupine property, and preliminary exploration work will be carried out at the 1,000 ft. level.

It is announced that the company will start work with $100,000 cash in the treasury, a further $150,000 subscribed, and 2,399,993 shares unissued.

Adjoining Central Porcupine on the west are McIntyre and Hollinger mines. Coniaurum is on the north, and Dome on the south east.

For power the company plans to utilize power lines already crossing the property. A railway line also crosses the property, in addition to a macadam road.

Nucleus of Canada's Newest Industry



Tucked away in the bleak hills of the Great Bear Lake district, is the small building shown above, containing the 50-ton mill of Eldorado Gold Mines, the most northerly metallurgical enterprise in the British Empire, which started operations early this year, and from which may spring a big radium industry. Concentrates from this mill are to be shipped to Port Hope, Ont., where a refinery controlled by the company is situated.

Treat Eldorado Report To Verbal Onslaught

Engineer F. D. Reid Optimistic on Radium Ore Possibilities, Says Great Bear Silver Showings "Not Like Cobalt"

A verbal Donnybrook developed at the annual meeting of Eldorado Gold Mines this week when inquisitive shareholders asked many questions.

Not until C. S. Bowers, auditor for the company, had been subjected to a heavy barrage, challenging his method of accounting and requesting that he resign, did the inquisitors finally become pacified.

Accounts Were Correct

The financial statement, drawn up according to accepted mining accounting methods, showed a revenue from production sales of $93,104, incurring an operating loss of $62,188, while the report over the signature of Gilbert A. LaBine, vice-president and managing director, showed the approximate value from the treatment of 58 tons of pitchblende ore as being approximately $286,000. The report further showed that 3,021 milligrams of radium and 34,940 pounds of uranium salts had been finished from the 58 tons of ore, while there still remained in process 1,500 milligrams of radium and 5,000 pounds of uranium salts. The high value placed on the ultimate production from the 58 tons of ore and the relatively lower value on the revenue received from products sold, it was explained, was due to the fact that of the 3,021 milligrams of radium produced less than one-half had been sold and only sales were represented in the income figure of $93,104.

Sales Not Disclosed

The question was further complicated by the inventory item in the balance sheet carried at $143,880 for supplies, stores and products. This, it was explained, included the products and supplies at actual production and replacement cost, whereas the $286,000 was the estimated selling value when the treatment was completed and the product sold. The sales of radium were not disclosed beyond the fact that it was something less than half of the 3,021 milligrams produced.

Sell Shares at $2.70

The increase of 111,000 shares in the issued capitalization was due to the sale of shares at an average price of $2.70 each in March, 1933, when the market ranged under $1.50 per share, shareholders were told.

Again following the accepted practice of mining accounting, development, experimentation at the refinery and expenditures on plant and equipment, were all capitalized. Accounts receivable shown in the balance sheet at $286,637 were explained as being in part—some $200,000—due from the sale of properties.

Culminating the afternoon session after the chaff of accounting procedure had blown away, Fraser D. Reid, consulting engineer of the company, took the floor and reassured shareholders that he was confident that the company's property would develop into an important radium producer and that the property can be worked profitably despite the high transportation costs. Mr. Reid explained that he had been called in to help decide on the proper procedure for the future development of the property and his recommendations were to exploit the radium ore areas because the market for radium was one that had to be developed and found, while the silver market was always open. His recommendations were to add to the equipment at Great Bear Lake and work the Port Hope refinery to capacity. He expressed the hope that this year's operations would prove very satisfactory.

Not Like Cobalt

The bombshell to the shareholders, who pinned faith in the area as a silver producer, came when Mr. Reid announced that the silver occurrence was "not like Cobalt," where wide rich veins occur. It was difficult to express the silver possibilities as it occurred irregularly in lenses in the sheer zone and it would take time to appraise the importance of the whole area as a silver producer. To get even an idea of its worth as a silver property, commented Mr. Reid, a great deal more work would have to be done and diamond drilling is to be started this year. Diamond drilling equipment and a new 1,000 cu. ft. compressor is going in by the first boat. A fuller report on the silver possibilities could be made later, he said.

The existing board of directors, headed by Chas. LaBine as president, were re-elected for the ensuing year.

CENT. PATRICIA REPORTS $52,573 WORK. CAPITAL

Mill Ready For Operation —No Change in Mine Developments

Shareholders of Central Patricia Gold Mines are given a complete picture of its operations in the Patricia district in the annual report of the company, covering the fiscal year ended Dec. 31 last, which shows that with the construction programme nearing completion the company has current assets totalling $61,616 against current liabilities of $9,043. Of the authorized capitalization of $2,500,000 in $1 par value shares, 2,139,060 are issued and options on a further 200,000 shares are outstanding.

No change in the mine developments is reported from the last annual statement as operations have been confined to equipping the property for production, planned for operation this month. Ore reserves are the same as previously reported, with the "B" and "C" shoots developed from the surface to a depth of 500 ft. showing total of 33,155 tons valued at $454,555 with gold at $20.67 per oz. Both "B" and "C" shoots are reported to be in all probability of greater width than shown in sampling as the "C" shoot has, in one place on the 375 ft. level, a width of 15.3 ft. averaging $16.50 per ton. Neither of these shoots has been fully developed, and it is estimated that an additional 12,000 tons averaging $12 per ton can be safely estimated.

The equipment for the 50-ton mill has all been safely delivered. It will be remembered that the mill was to go into operation last year, but that the essential equipment was lost in transportation over the ice to the property. Initial production will be by steam power. Early this year a power contract was entered into with the Hydro Electric Power Commission of Ontario and late this year is expected to see the property operating on this form of energy.

The annual meeting of the company is called for May 15 in Toronto.

Alaska Juneau Gold Mining Co.—April profit is estimated by this mine to be $204,100 before depreciation and federal taxes, as compared with $102,900 in April, 1933.

MINING & DEV. CORP. LAUNCH NEW ISSUE

Bartley & Co. Offering 50,000 Shares of Capital Stock at $5

Through Bartley & Co. and an associated group of well-known brokers, an offering of 50,000 shares of capital stock in Mining & Development Corp. at par value of $5 is at present being made throughout Canada. This is the first offering open to public subscription out of a total of 650,000 shares, the remainder of which, it is announced, will shortly be sold in England and United States. A total of 1,312,500 shares will be outstanding when these arrangements have been completed.

According to a descriptive circular of the offering, the primary purpose of Mining & Development Corp. is the development of mineral resources in various parts of the world. Extensive operations in the principal mining districts of Canada is planned for the immediate future, it is said. The corporations present interests embrace the fields of gold, silver, and tin.

The balance sheet giving effect to present financing shows total assets of $8,453,103, of which $2,593,437 is in cash. After reserves for development of present properties, over $1,600,000 cash will be available for the corporation's expansion programme, which, it is claimed, will include the acquisition and development of Canadian Mining Properties, several of which are now being investigated.

Canadian Airways to Start Air Service to Chibougamau

A scheduled week-end air service will be carried out between Oskelaneo and the Chibougamau mining district, as soon as the break-up is over, it is announced by Canadian Airways.

Under present arrangements, the airplanes will leave Saturday morning after connection with incoming trains from east and west, arrive at Chibougamau in about 1½ hours, and return to Oskelaneo on Monday afternoon, in time to connect with the next outgoing train in either direction.

The new service is attributed by company officials to the renewed activity in mining now enjoyed by the areas surrounding Dore and Bourbeau Lake.

Dividend of Ten Cents Is Declared By Inco

Directors of International Nickel Co. declared a dividend of ten cents per share on May 7, payable June 30, to shareholders of record May 31.

After passing dividends since Dec. 31, 1931, the company last March 31, declared the first dividend in over two years. The March dividend was also ten cents.

N. Empire Mill Gets Ore Value Of .3 oz. a Ton

Northern Empire Mines, subsidiary of Newmont Corp., and pioneer producer in the Jellicoe area of Ontario, with its new 100 ton mill, is treating ore averaging .3 oz. in gold from development work,, The Financial Post was officially informed.

The new mill is the transported stamp equipment from the company's California operations, while power is supplied from the Nipigon development of the Hydro Electric Power Commission of Ontario. About 70 per cent of the recovery is from amalgamation and the balance is contained in the concentrates which are presently being stored pending decision on smelting facilities or the installation of a cyanide plant to treat these concentrates.

Principal development has been on the one main vein which varies from 20 to 24 inches in width, assaying about .5 oz. in gold. On the 150 ft. level drifting 2,000 ft. east and about 1,800 ft. west has been done, while the 300 and 450 ft. levels have been opened and stoping has started.

Operations are in charge of Robert Kendricks, mine manager.

GOLDALE UNLOADS CONIAURUM STOCK AT $1.34 PER SHARE

Sell 57,000 Shares Since Dec. 31, Annual Meeting Told

That the approximate market value of the company's holdings had risen from $147,625 at December, 1933, to $207,608 at the present time, was the news received by shareholders of Goldale Mines at the annual meeting of the company held recently.

James Y. Murdoch, president stated that cash on hand was $49,000, and that the break-up value of the company's shares was about 59 cents per share at current market prices.

List Holdings

Holdings of the company were described as follows:

Bralorne—2,000 shares.
Teck-Hughes—2,000 shares.
Wright-Hargreaves—4,000 shares.
Pickle Crow—25,000 bt. at 50 cents per share.
Northern Canada—2,500 shares.
Hollinger—5,000 shares.
Noranda—2,000 shares.
International Nickel—1,000 shares.

In addition the company has 59,484 shares of Coniaurum, 57,000 having been sold since Dec. 31, at $1.34 per share, and 100,000 shares of East Rouyn, purchased at 15 cents per share.

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
Adel. 6028

Post's Calendar Of Meeting Dates

May 11—McMillan Gold at Sudbury.

May 14—Acme Gas & Oil at Toronto.

May 15—Central Patricia, King Edward Hotel, Toronto, 10.30 a.m.

May 18—Macassa Mines, at Toronto.

May 17—McVittie-Graham at Montreal.

June 15—Nipissing Mines at Toronto.

Offered for subscription, subject to prior sale and allotment—

50,000 Shares of a total offering of 650,000 Shares

Mining and Development Corporation

CAPITALIZATION

	Authorized	To be outstanding
Capital Stock, Par Value $5 - -	2,000,000 shares	*1,312,500 shares

*After completion of present financing

There are no Bonds or Preferred Shares issued or authorized

Transfer Agent	*Co-Transfer Agent and Registrar*	*Registrar*
THE CORPORATION TRUST COMPANY New York	THE EASTERN TRUST COMPANY Montreal	EMPIRE TRUST COMPANY New York

MANAGEMENT

The Officers and Board of Directors of the Corporation are as follows:—

AUGUST HECKSCHER, *Chairman of the Board*
Director, Crucible Steel Corporation of America
Director, Empire Trust Company, New York
Chairman of the Executive Committee and Director, Union Bag & Paper Co.

THOMAS F. COLE, *President*
Director, Phelps Dodge Corporation
Formerly President, Oliver Iron Mining Company (subsidiary of United States Steel Corporation)

G. MAURICE HECKSCHER, *Vice-President*
Vice-President and Director, Anahma Corporation

RODMAN WANAMAKER, *Vice-President*
Philadelphia, Pa.

FLOYD deL. BROWN, *Treasurer*, New York
President, Bethlehem Engineering Corporation

Hon. G. F. THOMPSON, *Secretary*, New York
Attorney, Thompson, Smith & Thompson

THOMPSON W. DECKER, New York
Capitalist
Formerly Treasurer, Sheffield Farms Co., Inc.

M. E. ERDOFY, New York; Montreal
President, Bartley & Company, Inc.

HON. JOSEPH I. FRANCE, Port Deposit, Md.
Former United States Senator from Maryland

ALFRED H. PARADIS, Montreal
President, Sullivan Consolidated Mines Ltd.
Director, Champlain Oil Products, Ltd.

J. LEONARD REPLOGLE, New York
Capitalist
Director, Wabash Railway and subsidiaries
Formerly Chairman, Replogle Steel Company

The primary purpose of Mining and Development Corporation is the development of mineral resources in different parts of the world and, with this objective, to provide adequate financial resources and a high standard of business and technical management in the acquisition, exploration, development, operation and financing of mining properties in Canada, the United States and other countries.

The Corporation plans extensive operations in the principal mining districts of Canada, and is at present examining several important Canadian properties.

ASSETS AND EARNINGS

Without taking into consideration income from other sources, or assets to be acquired or operations to be undertaken through full employment of the Corporation's capital, or income to be derived from such other assets or operations, but considering only cash, after giving effect to the present financing, and the group of gold, silver and tin properties now owned or controlled by the Corporation:

—the appraised *net value* of these assets, after all deductions, including estimated cost of additional mining and milling equipment, is $8,388,103, equivalent to $6.28 a share;

—the estimated annual net profit to be derived by the Corporation from operation of the present properties under the proposed development programme is $1,420,000 a year, equivalent to $1.08 a share;

—after giving effect to the present financing, the Corporation will have cash in excess of $2,500,000.

SUBSCRIPTIONS *may be made through the undersigned or through recognized financial institutions, bankers, brokers or security dealers. The right is reserved to reject any application, in whole or in part, to allot less than the amount applied for, and to close the offering without notice.*

This offering in Canada, limited to 50,000 shares, owned by Bartley & Company, Limited, is part of a total offering of 650,000 shares.

Temporary certificates are available for delivery at the office of Bartley & Company Limited, Montreal, against payment in Canadian funds.

Price $5.00 a share

BARTLEY & COMPANY
LIMITED
SUN LIFE BUILDING, MONTREAL
SAINT JOHN, N.B. NEW YORK HALIFAX, N.S.

The statements contained herein, while not guaranteed by us, are based upon information which we regard as reliable and believe to be correct.

We shall be pleased to receive subscriptions to the above offering:—

JOHNSTON AND WARD
Members Montreal Stock Exchange and Montreal Curb Market
THE ROYAL BANK BUILDING - MONTREAL
Telephone: HArbour *8281
TORONTO, ONT. KINGSTON, ONT. LONDON, ONT.
CHARLOTTETOWN, P.E.I. MONCTON, N.B. SAINT JOHN, N.B.
HALIFAX, N.S. SYDNEY, N.S. SHERBROOKE, P.Q.

H. B. HOUSSER & CO.
Members Toronto Stock Exchange
THE ROYAL BANK BUILDING - TORONTO
Telephone: ELgin 7193

KIPPEN & COMPANY
INVESTMENT SECURITIES
204 HOSPITAL STREET - MONTREAL
Telephone: MArquette 4141

GEO. BEAUSOLEIL & CO.
INVESTMENT BANKERS
10 ST. JAMES STREET WEST - MONTREAL
Telephone: HArbour 3276

Change in Gold Tax Saves Small Mines Burden on Big Ones

Street Gossip Includes Rumor Mining Industry Had to "Pass the Hat" Before Contentious Legislation Was Altered—Blame This For Delay

HAILED AS ATTEMPT TO BE FAIR TO ALL

But Delegation of Mining Men Reported to Have Visited Ottawa to Seek Co-operation of Government in Drafting Equitable Tax Two Months Before Budget Was Brought Down in House

Dozens of small, new, or non-dividend paying gold mines throughout Canada breathed more easily last week, after it was announced that the government, faced with white-hot opposition, had modified the original 10 per cent gold tax contained in the first budget proposal, and laid the burden solely on the dividend-paying mines.

Briefly the new tax: (1) Removes the flat 10 per cent tax on the price of gold, and substitutes a 25 per cent tax on the increment, or the difference between the current price of gold and the standard price of $20.67 per ounce.

(2) Exempts from the tax all mines which did not pay a dividend prior to Jan. 1, 1933, even if they are now paying dividends.

(3) Exempts placer gold from the tax.

(4) Exempts gold from taxation if it falls to or below $30 an ounce, or if by applying the tax, the net price to the producer would fall below $30.

(5) Applies Federal corporation income tax payable this year by dividend-paying mines, to the 25 per cent gold tax. This was tantamount to an exemption from the Federal income tax.

Passing the Hat

Myriad were the interpretations placed on the government's action in changing so completely its stand on the gold tax question. Some mining observers saw it as a definite indication that Ottawa felt the price of gold was going to rise. Other mining men, with perhaps more imagination, saw in the two weeks delay that preceded the change, a tactful hint to the mining industry that it, alone, of major Canadian industries, had not "passed the hat" in aid of party coffers. There was even a rumor drifting around mining circles, that the "hat" had been "passed" several times before the ante was considered high enough to warrant a change in the budget levy. The hat involved in this rumor, however, may well have been used to talk through, instead of as a collection plate.

Principle the Same

Chief criticism of the so-called modified tax, centres around the claim that the principle is the same as in the first-suggested 10 per cent tax. While the smaller companies have now no cause to complain, dividend payers are taking the stand that the government fails to recognize the fact that for every dollar increase in the price of gold, metal which would otherwise lie, useless, in the bowels of the earth, is given a definite market value, and is therefore dragged forth to serve the state, as an employer of labor, and an investment for capital. By a tax on gross value of the gold produced rather than on net profits, the system used in South Africa, the government is, after all, reducing the price of gold, and thereby condemning untold tons of gold to the inglorious role of frozen assets.

The Financial Post is reliably informed that about two months ago, a delegation of mining men had gone to the government and, admitting that some form of tax on gold was inevitable, sought to seek the government's co-operation in drafting a plan that would wreak the least possible harm to the industry, and that would not scare off capital.

Sought No Co-operation

It was at this time, The Financial Post was reliably informed, that the delegation was told that no tax would be levied on gold mining. In any event, the government took no action in taking advantage of the suggestion of mining men, and co-operating in drafting a tax.

In the main, mining men now accept the modified tax as at least an attempt at an equitable levy.

The government has not left itself a very wide margin to work on, analysis of the tax shows. By the clause in the tax which exempts dividend paying mines if the price of gold sinks to $30 or lower, or if the tax brings the net price to the producer to $30 or lower, the government is gambling on the price of gold staying above $33.10 an ounce. Thus gold would not have to drop very far from its price of $35 an ounce to prevent the government from receiving any revenue from this tax.

In the following table, prepared by the Mining Department of The Financial Post, it is shown that many of the claims which followed first announcement of the gold tax, as to what it would mean to the shareholder, were unfounded. These claims were created to a large extent by publication in uninformed mining organs of grossly exaggerated tables, purporting to show how the tax would cripple the key mines and force a reduction in dividends.

The table below is based on operating costs of 1933, and assumes that the same grade of ore will be treated in 1934 as was treated in 1933, which may or may not be the case. It is reported in well-informed circles that many mines plan, so long as the tax prevails, to drop the grade of ore to scant dividend requirements, in which case the profits would be less than shown. However, as it would be impossible to forecast the grade of ore to be treated in the various mines cited, it is assumed that it will be the same as in 1933. Tonnage in 1934 is based on increased tonnage scheduled and value on gold at $35 an ounce less the new Federal tax impost.

Estimated 1934 Profits Less Gold Tax

	1933						1934			
Company	Grade Ore, oz.	Cost per Ton $	Value of Production $	Tons Milled	Profit per Ton $	Earned per Share $	Est. Value of Prod. $	Profit per Ton $	Tons Milled	Profit per Sh. $
Dome	.40	5.07	6,266,957	546,500	6.39	3.21	7,125,000	7.88	550,000	4.00
Hollinger	.279	4.75	13,778,688	1,727,102	3.05	1.17	16,250,000	4.28	1,800,000	1.56
McIntyre	.347	5.16	*7,500,000	754,360	4.74	*4.80	9,500,000	6.00	780,000	5.75
L. Shore	.618	7.77	*14,300,000	808,917	9.93	*4.00	16,200,000	12.23	810,000	4.95
Noranda	.184	5.25	12,588,374	1,541,524	2.91	2.15	16,000,000	3.40	1,850,000	2.80
Pioneer	.814	13.73	2,370,000	103,000	10.27	*.60	3,000,000	17.23	109,000	1.07
Premier	.292	6.88	1,562,939	175,774	1.42	.05	1,600,000	2.00	180,000	.07
Siscoe	.519	8.00	1,616,487	96,348	8.77	.19	1,880,000	11.45	96,500	.24
Sylvanite	.46	7.82	*1,275,000	96,987	5.38	*.15	1,650,000	7.18	110,000	.24
T. Hughes	.464	6.36	*6,300,000	474,700	6.91	*.62	7,100,000	8.59	475,000	.85
Wright H.	.622	8.64	*5,080,000	285,465	9.18	*.47	8,000,000	11.36	400,000	.82

* Estimated from official figures.

McVITTIE-GRAHAM SHOW BIG STRIDES AT VERAGUAS MINE

Rapidity of Development to Production Stage is Real Epic

The sixth annual report of McVittie-Graham Mines covering the fiscal year ended December 31, 1933, reflects real progress at the company's subsidiary, Veraguas Mines, in Panama, the chief interest of the company.

The balance sheet of McVittie-Graham as at December 31 shows advances to Veraguas Mines totalling $274,358, also 420,000 shares or 56 per cent interest in the company. Current assets comprising investments in mining company shares are shown at $4,465 while current liabilities total $32,063 comprising $31,621 owing to the Connell Mining & Exploration Co. and sundry liabilities of $432. Outstanding capitalization stood at $3,500,000 in $1 par value shares, an increase of 250,000 shares from the previous annual report. Of these 185,000 were issued as rights in May, 1933. Some 10,000 shares not taken up by shareholders as rights were taken up by the underwriters. An additional 55,000 shares were sold on the market from 60 to 80 cents per share.

To Get Advance Back

Under the terms of the agreement for financing Veraguas, McVittie-Graham is to receive back out of first profits the funds advanced together with interest at seven per cent. In consideration of this loan McVittie retains 420,000 shares of Veraguas.

The accompanying report on the Veraguas property, comprising 60 mining properties including the Margaja Mines in the northern part of the Province of Veraguas, Republic of Panama, shows that from the commencement of production on December 17, 1932, until April 17, 1934, the value of the gold production totalled $219,367, while the financial statement to the end of the fiscal year, December 31, 1933, representing the initial period of production, showed a net profit of $16,108 from a recovery estimated at $24,882. The balance sheet as at December 31, showed current assets of $41,121 and current liabilities of $290,630, including $274,358 owing to the McVittie-Graham Mines.

Discovered by Spaniards

The rapidity with which the property was brought into production from incorporation of the company in December, 1932, to initial production a year later, is an epic in gold mining circles. The property, worked by the Spaniards nearly 300 years ago was re-discovered a few years ago by the Panama Corp., which drove an adit into the hillside from the canyon of the Santiago River, some 70 ft. below the surface outcrop. Some 121 ft. of drifting was done on the vein, which was sampled by John A. Reid, Canadian consulting mining engineer, who reported 90½ ft. of ore averaging 4.27 ounces in gold over an average width of 5½ ft. This report prompted McVittie-Graham to finance the property under a royalty agreement, which provides a lease and royalty agreement for 30 years, renewable for a further 30 years. A royalty of 35 per cent on the ore yielding a net marketable value of not less than $85 per ton is payable to the Panama Corp. For every $1 decrease below $85 in value of the ore, the royalty decreases one-half per cent until a minimum of ten per cent is reached. The Panama Corp. is to pay government royalties and rents. The present company, to April 17, 1934, advanced the east drift a total of 227 ft. and had a further 280 ft. to go to get below the old Spanish open cut which gave such high values. Drifting done is reported to have given low values.

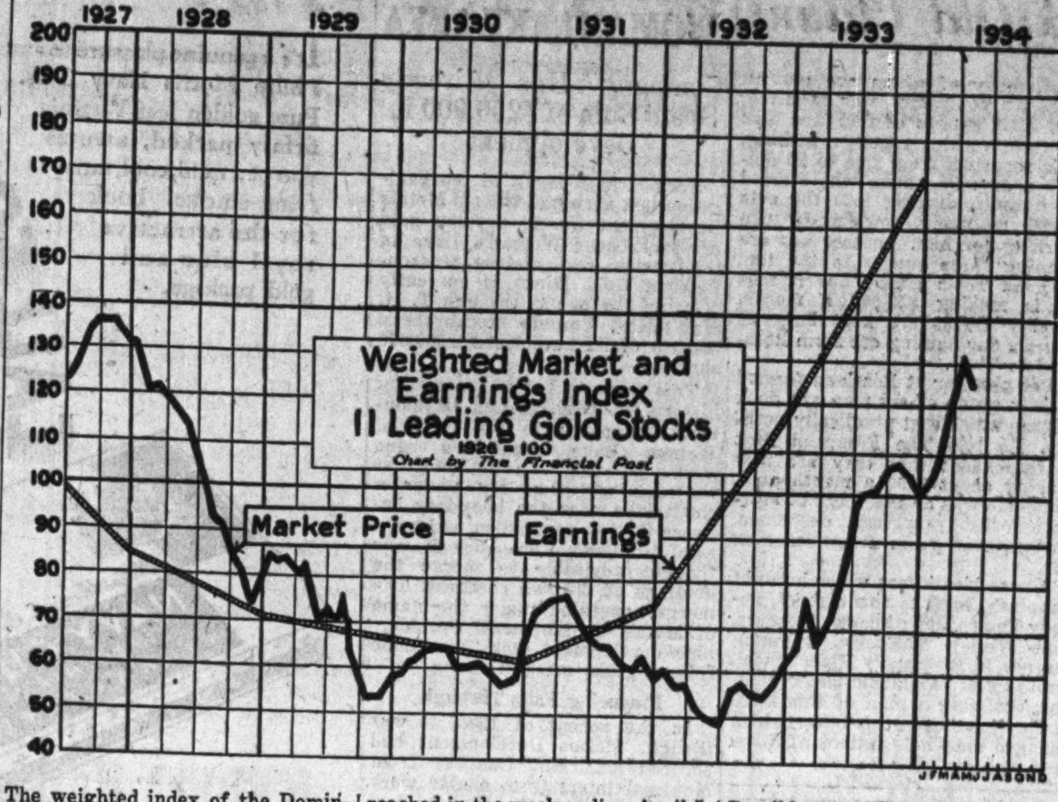
The 50-ton mill started on December 17 has been in steady operation since that time, averaging about 32 tons per day. The following tabulation gives details of production to April 17, 1934.

Production Summary

Tons milled	3,966
Tons gold, daily	32
Oz. per ton	2.05
Tailing loss	.36
Gold production, oz.	6,267
Gross value	$219,367

The annual meeting of the company is called for May 17 in Montreal.

Gold Stock Prices Dip On Tax News



The weighted index of the Dominion Bureau of Statistics shows that peak prices for gold stocks were reached in the week ending April 5, 1934, when an index of 139 was reached as compared to 100 in 1926. Possible earnings continue to mount, however, with gold at $35 per ounce notwithstanding the tax.

Olga Gas & Oil.—Has acquired a 51 per cent interest from Decatur Gas of Indiana in leases covering 110,000 acres in Shelby, Decatur, Jennings, Rush and Bartholomew counties in Indiana, according to Hugh J. Plaxton, president. Olga will also have exclusive management through a subsidiary company which will be formed, in addition to the above interest. It is estimated that the wells on these leases have a daily flow of 12,000,000 cubic feet of gas.

Mining Stock Quotations

Week Ending May 7.

Par Val.	Range 1934 High	Low	Company	Sales	Close Apr. 30 (or last)	High for week	Low for week	Close May 7
1	.06	.01	Aconda	25,000	.02½	.02½	.02½	.02½
No	.33	.13	Aldermac	28,450	.26	.26	.23	.23
1	.10	.02½	Alexandria	55,100	.06	.06½	.04½	.04½
No	.18	.12	Algoma (new)	88,030	.17	.17½	.14½	.14½
1	.04	.01½	Amity Copper	36,300	.02½	.03	.02½	.02½
No	4.00	2.00	Anglo-Huronian	1,710	3.95	3.80	3.70	3.70
1	.08½	.03	Area	9,000	.04½	.05½	.04½	.04½
No	.20	.03½	Arno	7,900	.05½	.05½	.05	.05
1	1.25	.90	Ashley	8,400	.95	.97	.90	.90
1	.60	.04	Bagamac	245,450	.25	.26½	.21	.21½
1	.04½	.00½	Baldwin	72,857	.04	.04	.03	.03
1	.22	.12½	Barry Hollinger	24,400	.16	.16	.14½	.14½
1	2.05	1.48	Base Metals	8,750	1.55	1.59	1.48	1.48
5	.91	.40	B.E.A.R.	45,850	.45½	.46½	.40	.43½
1	.51	.27½	Big Missouri	28,992	.28	.31	.27½	.31
1	.64½	.23	Bobjo	70,965	.50	.52	.45	.46
1	2.75	2.40	Bradian	2,738	2.55	2.75	2.40	2.70
No	15.50	9.90	Bralorne	8,716	13.25	14.75	13.20	13.50
1	.16	.09	Brett Trethewey	9,700	.10½	.11	.09½	.09½
50c	1.40	.28½	Bridge River Ex.	20,905	1.10	1.25	1.05	1.12
1	.09	.01½	Brownlee	121,100	.04½	.05	.04	.04
1	.02½	.00½	Buckingham	11,600	.01½	.01½	.01½	.01½
No	.14	.06½	Buffalo Can.	37,200	.10	.12	.10	.11½
5	34.50	23.50	Bulolo	225	33.50	32.75	32.50	32.50
No	.05½	.01½	Bunker Hill	136,000	.04	.04	.03	.03
5s	1.20	1.00	B'Wana McKubwa	......	1.20	.....	.....	.....
No	.14	.02½	Canam Metals	1,200	.06	.09	.07	.08
1	.20	.07½	Can. Kirkland	106,100	.08½	.11	.08	.08½
No	.72	.38	Can. Malartic	24,567	.54	.66	.55	.65
1	.02½	.00½	Capital Rouyn	88,350	.01½	.01½	.01½	.01½
1	2.85	1.75	Cariboo Gold	3,450	2.48	2.47	2.10	2.10
1	.09	.01	Cartier Malartic	20,100	.06	.06½	.06	.06
1	.81½	.49	Castle Trethewey	19,345	.61½	.60	.55	.59
1	.16	.07	Cen. Manitoba	24,375	.10	.12	.09½	.10½
1	.79	.54	Cen. Patricia	58,714	.71	.75	.63½	.63½
No	.16½	.05½	Chibougamau Pros.	139,900	.13	.14½	.11½	.11½
No	.15½	.09	Church. M. & Mill.	57,700	.09	.12	.09	.11½
No	.14	.07½	Clericy (new)	42,712	.08½	.09½	.07½	.07½
1	.08½	.01	Clifton Cons.	23,000	.02	.02½	.02	.02
5	5.75	4.00	Coast Copper	850	4.80	4.85	4.50	4.50
1	.06½	.04	Cobalt Contact	27,100	.04½	.04½	.04	.04½
1	.94½	.28	Columario	25,900	.33	.34	.28	.28
5	2.45	1.35	Coniagas	850	2.00	2.00	1.96	1.96
No	1.60	.97	Coniaurum	11,210	1.25	1.27	1.15	1.25
25	170.25	132.00	Cons. Smelters	2,820	162.00	164.00	149.00	151.00
No	40.50	32.00	Dome Mines	8,350	36.30	37.75	35.75	36.35
No	.07½	.04	Dom. Explorers	2,300	.04½	.04½	.04½	.04½
1	.02½	.00½	Dominion Kirk.	8,000	.01½	.01½	.01½	.01½
1	.02	.00½	Don Rouyn	......	.00½	.....	.....	.....
1	.17½	.01	Duparquet	153,575	.16	.17½	.14	.14
1	4.35	2.80	Eldorado	34,220	3.03	3.01	2.80	2.80
No	4.15	3.00	Falconbridge	6,712	3.75	4.00	3.70	3.85
1	.11½	.01½	Federal	18,000	.06½	.07	.06	.06
No	.07	.02½	Gilbec	29,500	.04½	.05	.04½	.04½
No	1.75	.70	God's Lake	20,760	1.41	1.55	1.35	1.35
1	.18	.08	Goldale	28,100	.15	.15½	.15	.15
10	.57	.16	Goldfield	500	.33	.25	.25	.25
1	.43	.30	Goodfish (new)	13,925	.30	.33	.30	.30
1	.18½	.02½	Graham Bosquet	71,700	.10½	.11	.09	.90
1	1.09	.60	Granada Rouyn	58,075	.76	.81	.72	.72
1	1.22	.66	Greene Stabell	252,845	.87	.90	.80	.80
1	.18	.05	Grozelle	800	.14	.11	.11	.11
1	.48	.30	Grull Wihksne	9,100	.46½	.46	.37	.37
1	1.80	1.44	Gunnar Gold	19,625	1.55	1.68	1.50	1.58
1	.53½	.30	Halcrow Swayze	121,405	.35	.35	.30	.30
1	.15	.03½	Harker	157,200	.11½	.14½	.11	.11½
1	.02½	.00½	Hilltop	20,100	.01½	.01½	.01½	.01½
5	19.50	11.40	Hollinger	41,010	15.45	16.40	15.00	15.00
1	1.40	.93	Howey Gold	148,800	1.25	1.40	1.20	1.23
No	14.50	9.00	Hudson Bay	2,032	13.25	13.25	12.60	12.65
1	14.25	10.45	Inter. Mining	300	13.75	13.75	13.60	13.75
.	6.25	4.00	Do., Pur. Warr.	100	5.75	6.00	6.00	6.00
No	29.00	21.15	Int. Nickel	42,645	27.70	28.40	27.10	27.50
1	.12	.02½	Jackson Manion	136,000	.09½	.10	.09	.09
1	.03	.00½	Keora Mines	7,000	.02½	.02½	.02	.02
1	.73½	.45	Kirk. Hud. Bay	12,700	.70	.71	.65	.66
1	.05	.00½	Kirk. Hunton	32,400	.02½	.03	.02½	.02½
1	.76	.29	Kirkland Lake	46,350	.54½	.58	.49	.49
1	.40½	.21	Kirk. Townsite	14,500	.29	.30	.25	.25
20c	.02½	.01½	Koot. Florence	11,000	.02½	.02	.01½	.02
1	.23	.11	Lakeland	20,200	.15	.15½	.14	.14
No	.18	.07	Lake Maron	24,000	.08½	.09½	.08½	.08½
1	.03	.01	La Rose	8,000	.01½	.01½	.01½	.01½
1	54.50	42.00	Lake Shore	7,125	49.25	50.00	48.75	48.75-
1	.26	.08	Lebel Oro	161,050	.17	.19	.15	.16½
No	.22	.12	Lee Gold	16,200	.14	.16	.13	.14½
No	4.75	4.10	Little Long Lac	31,540	4.20	4.75	4.15	4.40
1	3.05	1.85	Macassa	55,146	2.65	2.89	2.50	2.51
1	.08½	.01½	Malrobic	52,500	.05½	.05½	.05	.05
No	.17	.06	Mandy	7,200	.13	.15	.13½	.13½
No	.04	.02	Manitoba Basin	......	.03½	.....	.....	.....
1	1.00	.60	Maple Leaf	564,380	.62	.70	.60	.62
5	50.00	39.25	McIntyre	8,135	44.50	46.00	42.00	42.25
1	1.30	1.01	McKenzie R. Lake	25,150	1.28	1.27	1.16	1.16
1	.55	.50	McKinley	725	.50	.50	.50	.50
No	.06½	.01½	McLeod River	239,300	.06½	.06½	.05	.05½
1	.73	.39	McMillan	51,795	.64	.68	.63	.63
No	.53	.25	McWatters	22,170	.45	.46	.39½	.39½
1	1.21	.65	McVittie	43,525	.70	.76	.69	.70
5	1.50	1.25	Mentor Exp. & Dev.	......	1.50	.....	.....	.....
No	2.47	1.60	Mining Corp.	2,834	2.00	1.95	1.90	1.95
1	.08½	.02½	Moffatt Hall	96,550	.06	.06½	.05½	.06
1	.20	.08½	Moneta	5,600	.12	.13	.12	.12
1	.04	.01½	Murphy	31,100	.02½	.02½	.02½	.02½
No	.09½	.02	Newbec	28,500	.06	.07	.05	.05½
1	.06½	.03	Night-Hawk Penn.	8,500	.05	.05½	.04½	.05
5	2.85	2.15	Nipissing	7,857	2.30	2.40	2.15	2.35
No	44.75	33.25	Noranda	16,581	39.75	41.40	38.10	38.75
No	.54	.29	Nor. Canada	27,500	.39	.38	.30	.30
1	.27	.11	Osisko	3,100	.17	.18	.14	.14
1	.72	.36	Parkhill	179,580	.64½	.72	.61	.62
1	.06	.01½	Pawnee Kirk.	29,900	.03½	.04½	.03	.04½
1	.31½	.19	Paymaster	31,000	.25	.28	.25	.26½
1	1.40	.72½	Pend Oreille	9,250	.92	1.00	.93	.93
1	.05½	.02½	Peterson Cobalt	13,400	.04½	.04	.04	.04
1	14.15	10.75	Pioneer Gold B.C.	3,985	13.00	13.60	12.50	12.50
1	.08½	.01½	Porcupine Crown	40,000	.05½	.05½	.04	.04
.	.02	.00½	Porc. Gold Reef	......	.01½	.....	.....	.....
1	.03	.00½	Potter Doal	16,200	.01½	.02	.01½	.01½
1	1.75	1.02	Premier Gold	11,785	1.29	1.35	1.25	1.25
1	.06½	.01½	Preston E. Dome	60,700	.05	.05	.04½	.04½
No	.60	.30	Prospectors Air's	......	.50	.....	.....	.....
1	.70	.34	Quebec Gold	13,000	.40	.40	.34	.38
No	.15	.05	Quemont	1,645	.10	.10	.05	.09½
1	1.25	.27	Read Authier	16,910	1.00	1.01	.91	.94
1	1.29	.87	Reno Gold	24,450	1.03	1.03	.90	.92
1	.02½	.00½	Ribago	29,500	.01½	.01½	.01½	.01½
1	.05½	.01½	Ritchie	33,500	.03½	.04	.03½	.03½
1	.11½	.01½	Robb Montbray	158,900	.09	.09½	.07½	.07½
1	4.10	1.75	San Antonio	50,281	3.77	4.00	3.65	3.73
1	1.45	.99	Sherritt Gordon	24,610	1.15	1.17	1.10	1.10
1	2.64	1.43	Siscoe	81,919	2.17	2.27	2.10	2.11
1	.07½	.02½	South Keora	3,500	.06½	.06½	.05½	.05½
No	.26½	.10	South Tiblemont	28,670	.11½	.11½	.10½	.10½
No	.30½	.08½	Stadacona	424,135	.25	.30½	.24½	.26
1	.63	.31	St. Anthony	54,340	.61	.61	.51	.51
No	2.00	1.00	Sudbury Basin	18,645	1.65	1.85	1.60	1.78
1	.16½	.07	Sudbury Contact	8,100	.10½	.12	.10½	.11
1	.11½	.00½	Sudbury Mines	135,850	.10½	.11	.08½	.09½
No	.18	.18	Sudbury Nickel	......	.18	.....	.....	.....
1	.50	.25	Sullivan	14,600	.40	.39½	.37	.37
1	3.20	1.29	Sylvanite	107,880	2.61	2.74	2.40	2.45
1	8.05	5.75	Teck Hughes	57,225	6.10	6.45	5.90	5.90
1	.59	.20	Thom. Cadillac	41,550	.49	.51	.43	.43
1	.76	.26	Towagmac	11,295	.60	.64	.52	.52
1	.85	.35	Treadwell	......	.58	.....	.....	.....
1	.25	.18	United Kirkland	......	.25	.....	.....	.....
No	.02½	.01½	Vacuum Gas	15,500	.02½	.02½	.02	.02
No	1.12	.77	Ventures	50,175	.90	1.01	.89	.89
1	.03½	.01½	Vickers	28,000	.02½	.02½	.02	.02
No	1.53	1.10	Waite Amulet	6,093	1.31	1.32	1.27	1.27
50c	.50	.35	Wayside	98,190	.42	.45	.38	.38
No	.43	.31½	White Eagle	38,300	.35	.36	.31½	.34½
1	.07½	.03½	White Lake	4,000	.04½	.04½	.04	.04½
1	.18	.07	Wil'sey Coughlan	65,600	.12½	.17	.11	.12½
1	.20	.05	Wood Kirkland	13,000	.15	.15½	.13	.14
No	10.25	6.75	Wright-Hargreaves	27,800	8.85	9.35	8.40	8.50

OIL STOCKS

Par Val.	Range 1934 High	Low	Company	Sales	Close Apr. 30 (or last)	High for week	Low for week	Close May 7
No	.33	.17	Acme Gas & Oil	31,615	.30	.30	.25	.25
1	.20	.09	Admiral	......	.20	.....	.....	.....
1	1.60	1.02	Ajax	7,300	1.15	1.14	1.08	1.10
1	.25	.13	Alta. Pacific	2,040	.17	.16	.13	.16
No	.35	.20	Associated	5,530	.21	.23½	.22	.22
No	.13	.06½	Baltac	4,800	.07	.07½	.07	.07
No	1.60	.95	Calgary & Ed.	5,390	1.41	1.45	1.35	1.40
1	.15	.10	Calmont	6,700	.10½	.11	.10	.10½
1	.12	.06	Common Pete.	......	.09½	.....	.....	.....
No	.65	.40	Dalhousie	4,628	.47	.50	.40	.40
No	.30	.18	East Crest	2,990	.18	.20	.18	.18½
No	.58	.09	Erie Gas	3,500	.38	.25	.18	.18
No	.75	.40	Foothills	......	.50	.....	.....	.....
No	1.90	1.48	Home	3,770	1.57	1.60	1.48	1.48
No	.05	.02	Homestead	......	.05	.....	.....	.....
1	.16½	.13	Homestead O. & G.	1,600	.14½	.15	.14½	.14½
No	.44	.20	Lowery	100	.29	.25	.25	.25
No	.42	.26	Merland	2,900	.27	.27	.26	.26
1	.48	.25	Midwal	10,700	.34	.40½	.34	.40½
5	.17½	.09	Nordon	13,900	.12½	.12½	.11½	.11½
No	.09	.05	Oil Selections	22,200	.05½	.06	.05½	.05½
No	.34	.19	Olga Gas & Oil	31,200	.29	.29½	.23	.23
1	1.10	.75	Petrol Oil & Gas	......	.80	.....	.....	.....
No	19.55	17.00	Royalite	213	17.25	17.00	16.50	17.00
1	.13	.07½	Sarnia Oil	4,000	.09½	.09½	.08½	.08½
No	.17	.10	South West Pete.	1,000	.11	.10	.10	.10
No	.70	.60	Sterling Pacific	......	.63½	.....	.....	.....
No	.97	.65	Wainwright West	22,100	.72	.75½	.68	.68

VANCOUVER STOCK EXCHANGE
(Transaction for Week to May 2.)

Par Val.	Range 1934 High	Low	Company	Sales	Close Apr. 25 (or last)	High for week	Low for week	Close May 2
1	.09½	.04½	Alexandria	18,000	.06½	.06½	.06	.06
25c	.03½	.01	Bayview	5,500	.02	.02	.01½	.01½
20c	.08½	.04	Beaver Silver	8,400	.05½	.05	.04	.04
25c	.06½	.04	Big Slide	......	.05	.....	.....	.....
25c	.08½	.02	Bluebird	2,000	.02	.02	.02	.02
1	3.00	2.10	Bradian Gold	6,705	2.75	2.80	2.60	2.60
No	15.00	9.85	Bralorne	3,720	13.25	13.75	13.00	13.50
1	.48	.20	Bridge River Cons.	45,770	.42	.43	.38	.38
50c	1.28	.28	Bridge River Exp.	61,195	1.15	1.21	1.05	1.10
50c	.27	.23	B. R. Mountain Gold	1,100	.25	.27	.25	.26
100	99.00	99.00	B. C. Electric, pref.	......	99.00	.....	.....	.....
1	1.76	.51½	B. C. Nickel	443,970	1.23	1.76	1.32	1.75
1	1.25	.90	B. C. Silver	200	.90	.90	.90	.90
50c	.29	.20	Butte I.X.L.	6,600	.22	.22½	.21	.21
.	.24	.20	Can. Rand	30,900	.22½	.23	.21	.21½
1	2.90	1.90	Cariboo Gold	26,197	2.20	2.56	2.30	2.35
No	12.00	8.75	Coast Breweries	870	11.25	12.00	11.00	11.25
1	.45	.21	Congress Gold	19,950	.42	.40	.35	.39½
25c	.02	.01	Cork Province	1,000	.01	.01	.01	.01
1	.05	.05	Cotton Belt	250	......	.05	.05	.05
1	.06	.01½	Dalhousie Mines	32,000	.05½	.05½	.04	.04
.	.08½	.06	Dawson Gold	......	.07	.....	.....	.....
No	2.07	.25	Dentonia	234,835	1.44	1.65	1.35	1.47
1	.45	.28	Duawell	19,980	.35	.41	.36	.39
No	.44½	.28	Fairview Amal.	43,000	.35	.35	.30½	.32
1	.12	.07½	Federal Gold	500	.10	.10	.10	.10
1	.42	.30	George Copper	800	.32	.31	.31	.31
50c	.02½	.02	George Enterprise	......	.02	.....	.....	.....
1	.06½	.01½	Georgia River	19,800	.02	.02½	.01½	.02½
50c	.08	.01	Glacier Creek	1,400	.06	.07	.06	.06
1	.63	.36	Golconda	10,300	.37	.40	.36	.36
5c	.20	.13	Golconda Ex.	1,300	.14	.14	.13	.13
50c	.63½	.27	Gold Belt	22,100	.55	.54	.52	.52
50c	.51	.35	Gold Mountain	4,450	.36	.40	.40	.40
50c	.06	.03	Grandview	......	.03	.....	.....	.....
No	.35	.16	Grange Mines	24,110	.32½	.38	.30	.30
1	.50	.28	Grull Wihksne	100,300	.46	.47	.40	.46
No	.16	.08	Haida Gold	3,500	.10	.10½	.09½	.10
No	.29	.22½	Hedley Sterling	28,400	.24½	.27½	.23	.25½
1	.09½	.04½	Hercules Cons.	......	.07½	.....	.....	.....
No	.28	.07	Home Gold	37,700	.24	.25	.23	.23
1	.02½	.01	Independence	54,200	.01½	.02½	.01½	.02½
1	.04	.01½	Indian Mines	......	.02	.....	.....	.....
1	.15	.10	Inter. Coal	8,700	.12	.13	.12	.13
1	.42	.29	Jack Waite	2,050	.39	.42	.38	.38
50c	.65	.19	Kootenay Belle	63,350	.49	.65	.48	.49
25c	.02	.01	Kootenay King	......	.01	.....	.....	.....
25c	.01½	.00½	L. & L. Cons.	......	.01	.....	.....	.....
1	.01½	.00½	Lakeview	1,000	.01	.00½	.00½	.00½
.	2.95	2.40	Little Long Lac	......	2.95	.....	.....	.....
10c	.06	.04	Lucky Jim	......	.04	.....	.....	.....
No	.40	.11	Mak Siccar	3,700	.39	.39	.38	.38
50c	.01½	.00½	Marmot Metals	500	.00½	.00½	.00½	.00½
10c	.33	.15	Meridian Min.	54,150	.18½	.21	.18	.19
5c	.04	.04	Metaline Metals	......	.04	.....	.....	.....
No	.85	.13	Minto Mines	204,400	.71	.85	.70	.76
25c	.01½	.00½	Mohawk	......	.01½	.....	.....	.....
1	.27	.26	Mont'y Ackerman	......	.27	.....	.....	.....
50c	.46½	.20	Morning Star	113,050	.37	.38	.34½	.35
1	.05½	.02	Morton Woolsey	4,000	.03	.02½	.02	.02
50c	.09	.03½	National Silver	29,500	.03½	.04	.03½	.03½
1	.13	.05	Native Sons	22,300	.05	.05½	.05	.05½
50c	1.36	.81	Nicola	44,235	.90	.93	.81	.81
50c	.17	.09	Noble Five	41,900	.10	.10½	.09	.09½
No	.16	.10	Norgold	158,316	.10	.16	.10	.15½
1	.54	.12½	Pavilion	1,500	.50	.50	.45	.45
1	14.25	11.00	Pioneer Gold	5,445	13.25	14.10	12.75	13.50
50c	.18	.08½	Porter Idaho	3,100	.08½	.10	.08½	.08½
No	.02½	.01	Premier Border	31,000	.01	.01½	.01	.01½
No	.25½	.10	Princess Royal	......	.10	.....	.....	.....
1	.05½	.03	Quatsino Copper	5,600	.05	.05	.05	.05
50c	.19	.11	Red Hawk	2,900	.11	.13	.12	.13
No	.37	.10	Reeves McDonald	19,900	.13	.27	.20	.20
1	1.25	.87	Reno Gold	29,900	.95	1.00	.90	1.00
1	.15	.07	Reward Mining	67,000	.08½	.12½	.07½	.10
.	.26	.21	Richfield Cariboo	13,600	.24	.25	.22	.25
1	.03½	.01½	Rufus Argenta	1,500	.02	.02	.02	.02
1	.05	.02	Ruth Hope	400	.03	.02	.02	.02
1	.55	.37	Sally Mines	......	.40	.....	.....	.....
50c	.35	.27	Salmon Gold	33,300	.28	.31	.27	.30
1	.09	.05	Silverado	......	.07	.....	.....	.....
25c	.04½	.02½	Silvercrest	46,400	.03½	.03½	.03	.03½
20c	.17	.04	Silversmith	1,000	.11½	.10	.10	.10
50c	.03½	.01	Snowflake	7,500	.01½	.01½	.01½	.01½
25c	.04	.02	Sonora	......	.04	.....	.....	.....
1	.46	.25	Standard Gold	12,750	.41	.45	.39	.43
10	6.60	4.75	Sunshine	100	6.15	5.50	5.50	5.50
1	.28	.20	Sunloch	100	.28	.22	.22	.22
No	1.20	.50	Taylor Bridge	66,785	1.07	1.05	.91	.98
1	.54	.35	Taylor Windfall	10,350	.51	.53	.51	.51
25c	.05	.04	Thurlow Gold	......	.04	.....	.....	.....
5	.25	.20	Toric	200	.20	.20	.20	.20
No	.21	.14	Viking	148,500	.18	.21	.17½	.20
50c	.28	.04½	United Empire	6,500	.17	.19	.16	.18
No	3.50	1.40	Vidette Gold	3,350	3.00	3.00	2.40	2.40
No	.27½	.13	Waterloo Gold	11,000	.18	.15½	.15	.15
25c	.04½	.01½	Waverly Tangier	211,250	.01½	.01½	.01½	.01½
50c	.47	.36	Wayside	205,053	.37	.46	.36	.42½
20c	.03½	.02	Wellington	......	.02	.....	.....	.....
No	.44	.30	White Eagle	1,300	.37	.36	.33	.33
1	.10½	.05½	Whitewater	800	.05½	.06	.06	.06

OIL STOCKS

Par Val.	Range 1934 High	Low	Company	Sales	Close Apr. 25 (or last)	High for week	Low for week	Close May 2
1	.15½	.10	Amalgamated	17,558	.10	.14½	.11	.14½
1	.08	.04½	Anaconda	3,600	.05	.05½	.05	.05½
No	.12	.05½	Askalta	4,400	.07½	.08	.07	.08
1	.10	.10	Brit. Dominion	......	.10	.....	.....	.....
1	.10½	.05	Crow's Nest	15,900	.08	.10½	.08	.09
No	.09½	.04½	Devenish	2,400	.06½	.06	.06	.06
No	.01½	.00½	Fabyan Pete	27,000	.00½	.00½	.00½	.00½
No	.16½	.08	Freehold	3,105	.09½	.10	.08	.08
No	.13	.06	Hargal	500	.06	.06	.06	.06
No	.35	.15	High Sarcee	15,400	.24	.30	.24	.28
No	.05	.02½	Madison	16,000	.02	.02½	.02½	.02½
No	.35	.10	Marion Oil	13,700	.10	.14	.12	.13
No	.05½	.04½	McD. Segur Ex.	......	.04½	.....	.....	.....
1	.47	.30	McLeod	55	.32	.30	.30	.30
No	.22	.14	Mercury	16,250	.15½	.17	.15½	.16½
No	.22	.10	Mill City Pete.	272	.14	.12	.10	.10
1	.33	.21	Model	......	.23	.....	.....	.....
No	.18	.06½	Okalta	1,700	.11	.11	.10	.10
100	29.00	18.00	Do., pref.	......	18.00	.....	.....	.....
No	.17	.07	Pacalta Oil	12,800	.11	.12	.11	.12
No	.42	.14	Ranchmen's	330	.19	.42	.42	.42
1	.42	.23	Spooner	535	.30	.32	.30	.30
No	.11½	.06	United	1,220	.07½	.08	.07	.08
No	.50	.11	Vanalta	71,150	.44	.46	.40	.43
1	.20	.16	Vulcan	......	.16	.....	.....	.....
1	.25	.15	Wellington Oil	2,125	.16	.25	.15	.25

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Acme Gas†	2c.	.....	Mercury Oils	4c.	.....
Ajax Oil	8c.	7.27	Merland Oils*	5c.	.....
Bralorne	12½c.	.....	Model Oils	3c.	.....
Bulolo Gold‡	60c.	.....	Noranda‡	$1	.....
Coast Brew.	92c.	8.16	Petrol Oil‡*	1c.	.....
Coniagas‡	12½c.	.....	Premier	12c.	9.60
Cons. Smelters	1.50	.....	Pioneer, B.C.	60c.	4.80
Dome Mines	1.50	4.13	Royalite	50c.	.....
Falconbridge	5c.	.....	San Antonio†	5c.	.....
Goldfield Cons.‡*	5c.	.....	Siscoe	12+3c.	6.62
Hollinger	65c.+30c.	6.33	Sterling Pacific Oil‡	2½c.	.....
Howe Sound	$3	.....	Sunshine Min.	5+7c.	.....
Int. Coal & Coke‡	2c.	.....	Sylvanite	10+5c.	6.11
Int. Nickel c.	10c.	.....	Teck-Hughes	60c.	10.16
Lake Shore	$2+$1	6.15	Wright-Har.	40+10c.	5.88
McIntyre	1.62½	3.84			

‡Interim. †Initial. *Paid in 1933.

OFFICIAL OPTIMISM GIVEN SAD BLOW IN GRANADA REPORT

Loss of $173,403 Piled Up For Fiscal Year Ended Dec. 31

A perusal of the audited financial statement of Granada Gold Mines, for the fiscal year ended December 31, 1933, quickly reveals why officials were loath to come out in the open and disclose the true affairs of the company for which The Financial Post has been pressing these many months. For not only does it completely refute the optimistic statements of the officials but also shows it went in the hole to the extent of $173,403 during the period, issued 357,206 more treasury shares, capitalized development expenses, dropped its working capital to $10,438 and climaxed the report with the statement that positive ore reserves cannot be estimated. Notwithstanding, R. C. Gamble, president of the company, reports to shareholders that results of the exploration programme have been very satisfactory.

The affairs of the company are further confused by changing the date of the report to cover the year ended December 31 last, while the last financial statement was for the 12 months ended June 30, 1932, thus leaving a gap on which shareholders have little information as to the company's progress or retrogression.

A comparison of the two 12-month periods is as follows:

Income and Surplus Account
Years Ended

	Dec. 31 1933 $	June 30 1932 $
Bullion produced	161,280	265,996
Exchange comp.	62,963	26,920
Total oper. income	224,243	292,916
Less expenses:		
Mining and devel.	274,889	173,483
Milling	38,314	31,041
Marketing	887	2,292
Gen. expense	22,069	11,955
Mine adminis.	12,289	8,368
Head office adminis.	20,998	18,565
Taxes & miscel.	4,726	8,392
Operating loss	149,929	88,820
Add miscel. inc.: Int. & disct.	4,137	1,341
Rent	631	318
Loss	145,161	*40,479
Less: Depreciation	28,241	20,780
Net loss	173,403	*19,699
Previous surplus	43,818	......
To bal. sheet	129,585	*19,699

* Profit.

Not only did the ounces of gold produced decline by about 35 per cent, from the previous period, but the cost of production showed a big increase. The mill treated 37,517 tons of ore as compared with 30,760 tons in the previous period. The gross value received per ton of ore treated was $5.94 as compared with $9.54 per ton in the previous period. The fact that the value of gold was also higher makes the volume of gold recovered per ton still lower.

A notable item in the operating expense was the matter of head office expenses shown at $20,998, an increase over the previous period, notwithstanding the loss on operations shown. As a contrast it is interesting to note that Premier Gold Mining Co. with a record of some $17,500,000 in dividends to its credit, had a total administrative expense of but $7,436 in 1933.

The balance sheet of the company as at December 31, 1933, showed the liquid position impaired to the extent that crediting supplies on hand at cost or $16,927, left a working capital of $10,438.

Investments at cost show an increase to $2,633 the details of which are not disclosed, which served to further impair the company's working capital. An increase in the property account was also shown. A belated return to the registrar of companies at the Ontario Parliament Buildings shows R. C. Gamble, president of the company, as the vendor of additional property, for which he received 40,000 treasury shares.

The annual meeting of the company is called for May 17, 1934, at the company's property some six miles south of Noranda, Quebec, which should discourage the most inquisitive shareholder from attending and seeking further explanations.

FALCONBRIDGE UPS NICKEL PRODUCTION

Increase to Eleven Cents Per Share Shown on Quarterly Report

An increase to eleven cents per share, increased production and increased metal deliveries are reported by Falconbridge Nickel for the three months ended March 31, 1934.

Officials report that due to unavoidable shutdown, for some six days during the period for relining the furnace, the tonnage smelted was somewhat below capacity. At the refinery in Norway production was also slightly below the maximum on account of necessary adjustments to overhaul equipment. Metal deliveries during the quarter, however, more than covered production and stocks of refined metals, which stood at 1,652 tons on December 31 last, had thereby been decreased.

The following tabulation gives summary of production and earnings for the period:

3 Months Ended March 31, 1934

Production:	
Smelted, short tons	64,406
Ni. in matte, short tons	1,268
Cu. in matte, short tons	602
Ref. ni. prod., short tons	1,110
Ref. cu. prod., short tons	562
Earnings:	$
Gross operating profit	517,765
Less: Tax provision	45,000
Deprec. & deferred development	120,472
Net operating profit	352,293
Earnings per Share:*	$0.11

* Based on 3,278,705 shares outstanding.

Base Metals Corp. Reports Discovery of New Ore Body

Former estimates of ore reserves had proved very conservative, Frank Eichelberger, general manager of Base Metals Mining Corp. told shareholders at the annual meeting of the company held in Toronto recently. The stope width limits have been increased over ten per cent above estimates, he said, and thickness over 25 per cent.

The western limits of West Monarch ore body have been extended some 20 ft., and the thickness, from an estimated 22 ft. to above 30 ft. He stated that the company had found as much new ore as it had extracted.

During the first quarter of the present year, development work to the south of West Monarch ore body had uncovered a new ore body, the extent of which had not as yet been determined, stated the general manager.

The Actual Effect of the Gold Tax

We have prepared an interesting compilation of the actual effect of the gold tax on the earnings of eleven of the foremost producers.

The figures, based on 1933 production, should prove valuable to mining investors.

Copies available upon request.

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Could Supply Province Retort of Radium Firm

Statements of Eldorado Gold Mines and Ontario Minister of Health Show Direct Contradiction — Belgium Monopoly Involved

Contradictory testimony of the Ontario Minister of Health, Hon. Dr. J. M. Robb, and Eldorado Gold Mines officials as to the extent of the latter's ability to supply radium is beclouding the young life of the radium industry in Canada, judging from recent statements of both Eldorado and the Ontario government.

The government, through its Minister of Health, Hon. Dr. J. M. Robb states that the reason his department has purchased radium from the Radium Chemical Co., of Belgium which, prior to the discovery of radium at Great Bear Lake enjoyed a world monopoly, was because the pioneer Canadian firm, Eldorado, was unable to supply the needs of the province. Recently a four gram bomb of radium was borrowed from the Belgian concern, at 6 per cent interest. Dr. Robb's department told The Financial Post that this was done because the Eldorado Mines was unable to supply a similar bomb in time for the opening of the Toronto General Hospital Cancer clinic last month. Negotiations are now under way, Dr. Robb stated, to purchase from Eldorado a similar bomb, thus enabling the Ontario government to return to Belgium the borrowed radium.

Company's Statement

In sharp contrast to these statements are those of the Eldorado Gold Mines Co. who, through the vice-president, Gilbert LaBine, stated that the company was able to supply all the radium needs of Canada, that it could have provided the bomb at the time of purchase, by the government, and that it is prepared at any time to negotiate with the government for the purchase of a four gram bomb. Mr. LaBine intimated that as yet, he knew of no negotiations under way, as described by the Minister of Health.

While the apparent misunderstanding between the company and the government is not in itself, of great significance, it is made important when placed against the background of Belgium's world monopoly.

Radium, one of the few known cures for incipient cancer, under the conditions of the monopoly, sold at about $70,000 a gram in small lots while one gram lots sell at about $50,000. This price put it beyond the reach of many hospitals and nearly all doctors. Whether or not Canada will succeed in breaking the monopoly held for so many years by Belgium, allegedly to the detriment of medical science, is a question in which all humanity is vitally concerned.

Not Like Bully Beef

In order to do this, the utmost co-operation between Canadian governments and producing companies is essential. As explained to The Financial Post by Gilbert LaBine, radium production is such that it is necessary to know well in advance what the demand for the product will be. The discoverer of the Great Bear Lake deposits stated that so far the Ontario Government had failed to give his company this necessary advance information. The year's production had to be estimated in advance, and radium could not be purchased, as a can of bully beef, on demand. He blamed this condition for the misunderstanding which has arisen between the Ontario Government, largest purchaser of radium in Canada, and the company.

For the fiscal year ended December 31, 1933, Eldorado reported the production of 3,021 milligrams of radium of which less than one-half had been sold at that time.

Through an agent in England, the Eldorado company is marketing radium elsewhere but company officials declined to state just where these markets were, explaining that they did not consider it in the best interests of the purchasers to divulge their names. However, it was a policy of the company's to supply Canadian orders before marketing abroad.

According to a statement furnished The Financial Post by the Ontario Department of Health the following amounts of radium have been purchased by Ontario:

From Eldorado Gold Mines	740 mg.
From private practitioners in Ontario	445 mg.
From the Radium Chemical Co. (Belgian)	500 mg.
Total	1,685 mg.
Obtained on loan from Radium Chemical Co.	4,000 mg.
Total	5,685 mg.

PIONEER LOCATES RICHEST VEIN YET VALUES 7 OZ. A TON

New Strike on Bottom Level 100 ft. Long, Averages 3 ft. Wide

From Our Own Correspondent

VANCOUVER. — What is believed to be the richest ore body yet encountered at the Pioneer mine in the Bridge River district has been located on the 14th or bottom level in a vein that runs for a length of 100 ft., averaging three feet in width, with value at seven ounces of gold per ton.

Pioneer plans to explore the new ore body at depth and a three compartment auxiliary shaft will soon be completed to the 14th level, with plans calling for opening up of new levels every 125 ft. to a depth of 3,150 ft.

Some time will probably elapse before this rich ore body will be tapped on the lower levels, as the shaft is now some 700 ft. to the east.

Development is also proceeding on the eastern section of the mine, with particularly rich ore showing over a distance of 600 ft. on the 5th level with an average width better than three ft. For 450 ft. of this distance values average $200 per ton at the present price of gold. The 4th level is being extended into this area with the face in rich ore.

F. J. Crawford Issues Tax Analysis Circular

Presented in an intelligent and comprehensive form, a new bulletin of special interest to investors in gold shares, has just been prepared by F. J. Crawford & Co., members of the Toronto Stock Exchange.

The timely appearance of this analysis clearly shows that while leading dividend paying gold mines bear the burden of the new Federal gold tax, it by no means cripples earnings in store for investors and 1934 promises to witness the highest earning in the history of the industry. Leading dividend payers are analyzed in the bulletin, which is available on request to the company.

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ONTARIO MINES

Metal Production and Dividends Paid by the Mines of Ontario, Canada's Premier Province, to the end of 1933.

	Production	Dividends
Gold	$500,900,000	$153,108,020
Silver	$257,300,000	$ 97,691,281
Nickel	$359,300,000	$149,723,449
Copper	$148,100,000	
Total	$1,265,600,000	$400,522,750

Ontario Department of Mines
HON. CHARLES McCREA
Minister of Mines
TORONTO - CANADA

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MODERN BATTLE OF BUNKER HILL INVOLVES OPTION

Vice-pres. Urges Shareholders to Fight Purchase of Willastone Shares

Latest mining company to become involved in proxy battle is Bunker Hill Extension Mines, operating as a holding and investment company.

The battle of Bunker Hill revolves around the action of certain directors led by W. J. Boland, president, in asking shareholders to approve expenditure of $3,000 for 30,000 shares in Willastone Mines, to provide money for further development at the Boston Creek property of Willastone. Another unnamed syndicate was to purchase other shares of Willastone to complete the financing scheme.

Charging that $3,000 was only a part of the obligations with which purchase of the Willastone shares would saddle the company, J. H. Frederick, vice-pres. of the Bunker Hill Extension, in an open letter to shareholders, claims that (1) he had not been consulted as to date of the annual meeting; (2) he was not shown the proxy sent to all shareholders until after it had been sent, (3) that although at a recent meeting, shareholders had voted to sell all the company's holdings in McVittie-Graham stock, of which Bunker Hill held 20,000 shares, only 10,000 shares had been sold despite the fact that recently these shares were selling at $1.70, and (4) that the total amount involved in the Willastone Mines option is $190,000, of which the Bunker Hill Extension is asked to participate with respect to three-tenths of the whole, or $60,000. He points out that the total available liquid assets of the company is only about $25,000, and therefore argues it would be impossible for the company to complete the transaction in its present liquid state.

Frederick asks shareholders to sign proxies in favor of H. P. Fay. This move is supported by Doran Securities.

President Denies Charge

In reply to these charges, the president, and W. B. McHenry, secretary, in a counter letter, state that Frederick had himself moved that the president have power to fix the date of the annual meeting; that he had moved that negotiations be continued providing for expenditure by the company of $5,000 for the purpose of acquiring an option with another group to secure control of Willastone Mines and that the company is not under obligation to subscribe more than $3,000 for Willastone shares, claiming the other syndicate is prepared to absorb the rest of the option, provided the development of Willastone Mines warrants it. Further, if the shareholders are not in favor of carrying out the option, the associated syndicate is prepared to take over the entire option, and relieve Bunker Hill Extension of any liability whatever.

The whole issue is being fought out at the annual meeting of the company.

Aldermac Announces Plan To Ship Pyrite and Copper

Regular shipments of pyrite and copper concentrates will start at once, shareholders of Aldermac Mines were told at the annual meeting of the company held in Toronto recently. The shipments will be made against existing contracts.

James Y. Murdoch and W. P. Alderson tendered their resignations from the board of directors. The following men were elected to the board: F. L. Myers, Johnsonburg, Pa.; A. A. McMartin and Leo George, of Montreal, and Col. C. D. H. MacAlpine, Toronto.

New Equipment Installed As Union Work Resumed

From Our Own Correspondent

VICTORIA.—Operations will be resumed at the Union mine in the Franklin district by the Hecla Mining Co. early in April, according to information received here from the company's headquarters at Wallace, Idaho.

Immediate work at the plant will take the form of installation of additional milling equipment at the concentrator to handle the tailings with

B. C. Area Revived Overnight As Jobless Work Old Claims

Varied and far-reaching were the results when one day last January the president of U. S. announced that the U. S. treasury would pay $35 per fine ounce for gold.

The repercussions of that announcement are still being felt in the capitals of the world—and in Rossland, B.C.

Times had been tough in Rossland, and surrounding district. The country abounded in small gold workings, abandoned and inactive for years. Rossland was practically living in the past, which is not so good for present day budgets.

Then the price of gold started climbing, culminating in the $35 price. W. M. Archibald, vice-president of the Consolidated Mining & Smelting Co., conferred with a group of unemployed townsmen, with the result that in March of this year small properties around Rossland controlled by Smelters were thrown open for leasing. The effect was instantaneous, and practically overnight Rossland became one of the few municipalities in the Dominion not burdened with an unemployed problem.

200 Now Have Jobs

Over 200 men are now employed on the mountainside near Rossland, many of whom are getting rich. No equipment was required, and little groups of four and five men are working together, making, it is reported, from five to 20 dollars a day. One man, who started by himself, digging into the side of the mountain, now has 80 men working for him. Another has ore running three ounces to the ton, in gold. Town gossip has it that he is making $20,000 a month. Twenty trucks are kept busy 24 hours a day hauling ore from Rossland to Trail.

The plumber at Rossland formed a little group of six men and took a lease which cost practically nothing. He told The Financial Post correspondent that they are now making about $400 a month each. This man was on the verge of starvation last year, and desperate. He has been given a new lease on life.

Whose idea it was which brought happiness back to this district, nobody knows. It is known, however, that Wesley McKenzie, a young teacher in Rossland's High School, wrote to Mr. Archibald last December, outlining a plan of this kind. It may have been this letter which changed the whole outlook of Rossland and district.

NEW 400-TON MILL READY BY AUGUST BRALORNE STATES

Company Hopes to Double Ore Reserves in Next Six Months

From Our Own Correspondent

VANCOUVER. — The enlarged mill at Bralorne, increasing the capacity from 250 to 400 tons of ore daily, will be in commission by August, according to announcement made by Austin C. Taylor, president of the company. Also it was announced the company hopes to double its present ore reserves within the next six or eight months.

At the end of March Bralorne reserves totalled more than 300,000 tons, so the doubling would mean a total reserve by the end of the year of some 600,000 tons.

Since the beginning of the year the company has had no difficulty in maintaining its average grade of ore. A lower grade was deliberately put through the mill recently.

When the shaft is completed on the 11th level, Bralorne will be able to draw ore from this horizon, which will give an extra 250 ft. of depth, and it is at this level that it is hoped to double the company's ore reserve.

In the past most of the development at Bralorne has been concentrated in the King vein, although highly satisfactory results have recently been obtained from the "C" vein.

The drift has been run on the King vein to No. 1 fault, and a throw of 300 ft. occurred at that point. The vein was picked up again on the other side of the fault and it has been drifted upon for about 400 ft. to No. 2 fault, showing average width of 20 ft. and a maximum of 60 feet, with average grade around .6 ounces of gold and frequent enrichments of spectacular ore.

B. R. X. CUTS STATION AT 150-FT. HORIZON

Crew Sinks Shaft 6 ft. Per Day in Record for Bridge River Area

From Our Own Correspondent

VICTORIA—The first station in the three compartment shaft of B. R. X. Gold Mines, is being cut at the 150-ft. level according to company officials.

Working three shifts daily the crew have sunk the incline shaft six feet per day during the past week and have established what is believed to be a record for the Bridge River district.

On the California vein from the surface down to No. 3 level, a depth of about 300 feet, ore assaying from $5.25 to $14 per ton at present day prices has been indicated. The vein varies from 4 feet to more than 20 feet in width. It is below the No. 3 level that the major possibilities of the mine are believed to exist, a diamond drill hole having cut 8 feet of $26 ore at a vertical depth of 400 feet. The three-compartment shaft started in March will intersect the drill hole at 528 feet on dip below No. 3 level, and should be in or close to the vein most of the way down. The hoist is of sufficient capacity to permit sinking to 1,000 feet.

There has been a consistent betterment in values with depth, company officials state, and the diamond drill hole results together with geological conditions and mineralization practically assure large bodies of commercial grade ore for B. R. X.

Following an inspection of the shaft last week company officials reported the vein to be 8 feet in the shaft at a depth of 136 feet.

Butte I. X. L. Will Launch Diamond Drill Programme

From Our Own Correspondent

VICTORIA.—A diamond drill programme of considerable extent is to be carried out at the Butte I.X.L. Gold Mines in the Bridge River area, officials announced. Olier Besner, a director of the company and P. E. Peterson, consulting mining engineer, are now at the property making plans for the programme.

Recently a cross-cut from the 150-ft. level of the main shaft cut the vein upon which the work was started and passed its dip at 170 feet. It is the intention of the company to carry out diamond drilling exploration from a station at that level to prospect two other veins exposed on the surface and to continue shaft sinking.

Freehold Oil Corp. Buys Half Interest in Union

Freehold Oil Corp. has purchased a 50 per cent interest in the Southern Turner Valley holdings of the Union Drilling Co. It is also unofficially announced that Imperial Oil interests are negotiating for the company's producing wells in the Turner Valley field.

World Copper Declines

The world production of copper during February is estimated at 87,000 tons, as compared with 91,000 tons in the preceding month. World stocks declined to 612,500 tons on Feb. 28 from 631,000 tons on hand at the beginning of the month.

Turner Valley Adds New Absorption Plant

An absorption plant with 80,000,000 cubic feet of gas flow daily capacity has been purchased for use of Turner Valley independent companies, A. H. Mayland, president of Mercury Oils, has announced.

The plant, made by a Los Angeles firm, will be shipped to Turner Valley from Texas, and is expected to be in operation within two months.

The Imperial absorption plant is now being worked daily to its 115,000,000 cubic feet per day capacity.

Combined capacity of the two plants will be 195,000,000 cubic feet, which is practically the amount of gas allowed under conservation regulations.

Air Firms Wage Costly Battle Rates Tumble

A bitter fight for business is being waged in the ranks of Canada's airplane transport concerns, as the result of the current mining boom, The Financial Post is reliably informed.

Price cutting, overloading, and all the costly tactics of industrial warfare are being used by some of the dozen or more companies running freight into the Northland.

Uncurbed by government supervision, the war has now become so intense that many companies are operating at loss producing rates, in order to get or keep business.

The one piece of legislation which has been imposed on the industry, that of a maximum load law, is not being enforced, transport men complain. As a result small, mushroom concerns, operating with one or two ships, are able, by carrying dangerously heavy loads exceeding the weight limit, to offer lower rates than the established companies who observe the law. These small companies are springing up wherever mining activity is increasing across Canada. They operate with cheap equipment and are practically a law unto themselves. In many cases, The Post was informed, the load carried by these smaller companies has actually been found to be 25 per cent over that allowable by law.

Established and up-to-date Canadian air transport companies feel that commercial aviation in Canada, stimulated by the current mining boom, has reached the point where supervision of loads, rates, etc., is as necessary as it is with trucking, and railroad transport companies.

B. C. Cariboo Gold Fields Offers Share at 60 Cents

An offering for an unstated number of shares in B. C. Cariboo Gold Fields is currently being handled by J. T. Eastwood & Co., Toronto brokers, at 60 cents a share.

B. C. Cariboo, known prior to 1933 as William Creek Gold Placer Cons., owns 180 claims or about 7,322 acres in the Bridge River, Cranbrook, and Cariboo areas, B.C. The company has an authorized capitalization of $2,500,000, consisting of $1 par shares. Of this, about 620,000 shares have been issued for properties, and 797,000 are in escrow, leaving 1,350,000 in the treasury.

With funds from this issue, it is planned to launch a development programme centring mainly on the Bridge River groups, and the Moyie Lake group in the Cranbrook area.

Funds for Deepening Shaft Sought by Laguna Mines

A new issue of 500,000 shares, par value $1, is being offered by Laguna Gold Mines, through Angus & MacDonald, Toronto brokers, at 25 cents a share.

Laguna Gold Mines, incorporated in February, 1933, recently acquired the assets of Herb Lake Consolidated Mines, for 1,000,000 shares, and the assets of Manitoba Metals Mining Corp. for 500,000. Both these concerns are controlled by the Mining Corp. of Canada, vendors of the properties.

On the property, which is on Herb Lake, Manitoba, is a shaft to a depth of 423 ft. with levels opened up at 100, 200, and 350-ft. levels. To date this property has produced about 7,000 ounces of gold. The purpose of the present issue is to finance the deepening of the shaft, opening up of other levels, and a diamond drilling programme.

James Y. Murdoch Leaves Towagmac Directorate

James Y. Murdoch, K.C., retired from the board of directors of Towagmac Exploration Co. at the annual meeting held recently. Thomas Chitty and Col. C. D. H. MacAlpine were elected to the board. Officers remained the same.

HUDSON PATRICIA SEEK TO DEVELOP WOMAN LAKE AREA

Company Has Already Spent Sum of $250,000 in Development

Formed as a result of reorganization last spring of the old Metals Development Co. to develop gold prospects near Woman's Lake in the Patricia, Ont., district, Hudson-Patricia Gold Mines is currently offering the public, through T. H. McWhirter, Toronto stockbrokers, 500,000 of its authorized 2,500,000 shares.

This property has an interesting history. In 1930, Metals Development merged with the Imperial Woman Lake syndicate's nine claims, because it was believed that the main ore body lay under a small lake near the boundary between the two companies, and technical problems were such it was thought advisable to merge the holdings of the two concerns. The merger operated under the name of Metals Development. Considerable development work was done following the merger.

Financing Falls Through

In the spring of 1933, it was thought Metals Development had secured sufficient finances from Montreal interests to enable work to proceed still further, but the deal fell through, and work at the property ceased.

Last March, still firmly convinced that sufficient evidence of rich ore bodies existed on the property to warrant further development, directors of Metals Development met in Montreal and approved of a reorganization of the company, which provided for a new company to be known as Hudson-Patricia Gold Mines, with a capitalization of 2,500,000 shares of $1 par value. Under the reorganization terms, 1,000,000 of the new shares were issued to the holders of 3,800,000 shares in Metals Development.

With the proceeds of the current issued, it is planned to continue development work with the ultimate objective, which, company officials claim is not far away, of erecting a mill, and starting production.

It is estimated that $250,000 has already been spent on these properties, which consist of 26 claims, or 1,140 acres. The company has sunk an incline shaft to a depth of 100 ft., a vertical shaft to 237 ft. and 729 ft. of cross-cutting, and drifting. Drift on the 211 ft. level encountered, it is claimed, a cross vein of much promise.

Operations are being supervised by Dr. Thomas Gledhill, with John M. Thompson, formerly of Vipond Consolidated Mines as resident mine manager.

Of its authorized 2,500,000 shares, a total of 1,100,000 have been issued for properties, of which 1,000,000 are pooled. Including the present issue, 1,000,000 shares have been underwritten, leaving 400,000 in the treasury.

The executive officers consist of W. Ralph Salter, pres.; Lt.-Col. C. H. Ackerman, vice-pres.; and B. A. R. Dignan, sec.-treas.

At the Mines

Bidgood-Kirkland Gold Mines.—The new 100-ton mill is nearing completion and is expected to be in operation by May 15, according to official statements. Electric power has been connected and dewatering of the No. 2 shaft is under way.

* * *

Lee Gold Mines.—Shaft sinking is continuing to a proposed objective of 500 feet and a station has just been cut at the 250-ft level, according to J. J. Byrne, president of the company.

* * *

Pickle Crow Gold Mines. — Shaft sinking has been resumed on the properties of this company in the Patricia district, and an objective of 625 feet with two levels has been set.

* * *

South Tiblemont Mines. — F. G. Simpson, president, announces that the mining plant has been installed at this company's property in the Tiblemont section of Quebec, and that shaft sinking under power is now under way. The shaft will be taken down to 300 feet and two levels opened up, he stated.

* * *

Wingold Mines. — Clearing the right-of-way, and building the power transmission line to the No. 1 shaft on the Wingold property, adjoining San Antonio in Manitoba, was well advanced last week, according to word received from the west. Installation of electrical and compressor equipment is being rushed, and will be ready by time power is turned on, officials report. The main transmission line of the Manitoba Power Co. already crosses the Wingold properties, and the new development requires only a branch line.

Swastika Mine—It was reported last week that negotiations were under way which may mean the early reopening of this mine, in the Kirkland Lake area. It is said one New York, and two Toronto groups are making overtures with the object of acquiring control of these properties. At present, the Swastika Mine is controlled by Teckotto Gold Mines Ltd., of which F. L. Culver, of Toronto, is moving spirit.

Drop in Mineral Output Shown by Monthly Report

Monthly report of the mineral output of Canada, prepared by the Dominion Bureau of Statistics, and subject to revision, shows production for January and February as follows:

		January 1934	February 1934
Asbestos	ton	8,502	9,256
Cement	brl.	68,784	66,571
Clay prod.	$	115,353	96,428
Coal	ton	1,270,567	1,016,458
Copper	lb.	26,514,543	24,515,502
Feldspar	ton	1,344	1,025
Gold	fine oz.	231,288	222,937
Gypsum	ton	3,303	3,309
Lead	lb.	28,022,906	27,220,883
Lime	ton	26,060	27,388
Nat. gas	M. cu. ft.	2,961,453	2,697,423
Nickel	lb.	9,268,292	7,268,537
Petroleum	brl.	124,426	116,546
Salt	ton	10,503	10,072
Silver	fine oz.	1,403,066	1,347,240
Zinc	lb.	21,767,490	19,150,013

Copper Output 24,515,502 Lbs

A total of 24,515,502 pounds of copper was produced in Canada during the month of February, the Dominion Bureau of Statistics reports. This compared with a production of 26,514,543 pounds in January, and 17,165,922 pounds in February of 1933. Blister copper output was reported as 21,648,212 pounds in February, 1934.

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San Antonio Gold Mines Profit $115,638 in Quarter

Production for the three months ended March 31, by San Antonio mines is reported to show an operating profit of $115,638. The tonnage treated by the mill during the period averaged 160 tons daily and this is to be increased to 275 tons as soon as the mill addition, now under construction, is completed the early part of July. The three compartment shaft is down approximately 325 ft. and is being connected with the 455 ft. and 600 ft. levels by raising. A new steel head frame is under construction.

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"Full Steam Ahead for the MINING Industry"
—HON. CHARLES McCREA,
Ontario Minister of Mines

"FULL STEAM AHEAD!" In an interview at Toronto on Wednesday, May 2nd, the Hon. Charles McCrea, referring to the adjustment of the Budget provisions, declared "The slogan now for the Mining Industry should be '*Full Steam Ahead.*'"

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